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No. 1

## Senate

The 23d day of January being the day prescribed by H. Con. Res. 295 for the meeting of the second session of the 107th Congress, the Senate assembled in its Chamber at the Capitol at 12 noon and was called to order by the President pro tempore (Mr. BYRD).

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Eternal God, You have divided our lives into years so that with each new year, we can relinquish our past fears. You open Your forgiving heart and give us a fresh start. Our times are in Your hands; shape our destiny as You have planned.

Today, as we begin a new session of this 107th Congress, we commit our lives to You anew. Grant us expectation for what You will enable us to do for Your glory, enthusiasm for the privilege of serving here in the Senate, and excitement over the progress we can make if we trust You. Forgive any ho-hum, somnolent sameness. Awaken us to a fresh realization of Your presence and power. Grant the Senators and all of us who work with them, the conviction that no problem is too big for You to solve, no disagreement too great for You to dissolve, and no crisis too complicated for You to resolve. Lead on, Sovereign Lord, we are one Nation, under You! And You are the God of Abraham, Isaac, and Jacob, and of the Lord Jesus Christ. Amen.

### PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

### RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

### STARTING THE SECOND SESSION OF THE 107TH CONGRESS

Mr. DASCHLE. Mr. President, the start of a new session of Congress is always a hopeful time, and this session is no exception. These are days of great and important challenges for our Nation and for our world, which means we have the opportunity to do great and important work. It is an honor to be part of this Congress and to be able to work with so many fine men and women, Republicans and Democrats. I am going to have more to say this afternoon about the legislative agenda for the year. For now, let me welcome back my colleagues to this second session of Congress. Let me welcome our staffs and all of those who are associated with making this Senate work as it does each and every day.

This is only the second time I have had the privilege of opening a session of Congress. The first time was a year ago during my first 17-day term as majority leader. In my remarks that day, I mentioned the Brumidi corridor, the incredible frescoes that line the walls on the first floor of this building. They were painted more than 125 years ago by an Italian immigrant named Constantino Brumidi. Some people refer to him as "America's Michelangelo"—with good reason. He spent 25 years of his life painting the walls and the great dome of this Capitol. It was a labor of love for his adopted country. Over the years, Brumidi's magnificent paintings were covered over by layers of paint and varnish. For the last several years, art conservators have been painstakingly scraping away those layers to reveal the original works of art underneath.

I have often thought of that process as a good metaphor for the Senate.

Over the years, a layer of partisanship has sometimes settled over the Senate. Even with that disadvantage, it has remained the greatest legislative body in the history of the world and one in which I am very proud to serve. But it is when we are able to transcend the layers of partisanship, as we did last year in response to the attacks on our Nation, that the real beauty and genius of this institution are revealed.

Very often, as I leave work at the end of the day, I walk down the Brumidi corridors on my way out the door. I take a quick look to see the progress the conservators have made. I remember one evening particularly well. It was late October. For much of the time since September 11, and since the anthrax letter was opened in my office, work on the corridors had stopped. But that evening, the conservators were back at work making progress. Their work, it seemed to me, was an act of faith that 125 years from now, and long after that, this building will still be standing; people will still come from all over America and all over the world to see the miracle of democracy in action.

Mo Udall wrote a book called "Too Funny to be President" about his years in the Congress. He dedicated it to the 3,000 Members of Congress, living and dead, with whom he served for nearly three decades. As we begin this new session of Congress, let us remember that we are part of a continuum of all who have come before us and all who will come after us, and let us pledge to work in a way that will honor them all.

With that, I wish my colleagues well. I welcome them back. I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll, and the following Senators entered the Chamber and answered to their names:

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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[Quorum No. 1]

Byrd	Feinstein	Reid
Campbell	Inouye	Thomas
Daschle	McCain	Thurmond

The PRESIDENT pro tempore. A quorum is not present. The clerk will repeat the names of the absentee Senators.

The majority leader.

Mr. DASCHLE. Mr. President, I move to instruct the Sergeant at Arms to request the presence of absent Senators. I ask for the yeas and nays.

The PRESIDENT pro tempore. Is there a sufficient second?

There appears to be a sufficient second. The yeas and nays are ordered.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Georgia (Mr. MILLER) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Alaska (Mr. MURKOWSKI), the Senator from Alabama (Mr. SESSIONS), and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

The result was announced—yeas 88, nays 6, as follows:

[Rollcall Vote No. 1 Leg.]

## YEAS—88

Allard	Durbin	Lugar
Baucus	Edwards	McConnell
Bayh	Ensign	Mikulski
Bennett	Enzi	Murray
Biden	Feingold	Nelson (FL)
Bingaman	Feinstein	Nelson (NE)
Boxer	Fitzgerald	Nickles
Brownback	Frist	Reed
Bunning	Graham	Reid
Burns	Gramm	Roberts
Byrd	Grassley	Rockefeller
Campbell	Hagel	Santorum
Cantwell	Harkin	Sarbanes
Carnahan	Hatch	Schumer
Carper	Helms	Smith (NH)
Chafee	Hollings	Smith (OR)
Cleland	Hutchinson	Snowe
Clinton	Hutchison	Specter
Cochran	Inouye	Stabenow
Collins	Jeffords	Stevens
Conrad	Johnson	Thomas
Corzine	Kennedy	Thompson
Craig	Kerry	Thurmond
Crapo	Kohl	Torricelli
Daschle	Kyl	Voinovich
Dayton	Landrieu	Warner
DeWine	Leahy	Wellstone
Dodd	Levin	Wyden
Domenici	Lincoln	
Dorgan	Lott	

## NAYS—6

Allen	Breaux	Inhofe
Bond	Gregg	McCain

## NOT VOTING—6

Akaka	Miller	Sessions
Lieberman	Murkowski	Shelby

The motion was agreed to.

The PRESIDENT pro tempore. A quorum is present.

## RECESS

The PRESIDENT pro tempore. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now stand in recess until the hour of 2:15 p.m. today.

Thereupon, the Senate, at 12:49 p.m., recessed until 2:15 p.m.; whereupon, the

Senate reassembled when called to order by the President pro tempore.

The PRESIDENT pro tempore. The Senator from Delaware.

## MORNING BUSINESS

Mr. CARPER. Mr. President, I ask unanimous consent that there be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CARPER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

The majority leader.

## TAKING OF OFFICIAL SENATE PHOTOGRAPH

Mr. DASCHLE. Mr. President, if everybody will take their seats, we can quickly take the picture.

(The VICE PRESIDENT assumed the chair.)

(Thereupon, the official Senate photograph was taken.)

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARPER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa is recognized in morning business for 10 minutes.

## TRADE PROMOTION AUTHORITY

Mr. GRASSLEY. Mr. President, after the holiday season it is good to be back to do the people's business in the Senate. We have a lot of unfinished business, and we need to do some of this unfinished business right now.

I think the American people are looking for the bipartisanship of the post-September 11 environment to continue. I think they are hopeful that a lot of very important legislation will pass, and I hope they are in a position of helping all of us reject political posturing and dueling with press statements. The American people really want results. I guess one would say they want action, not words.

Yet we adjourned before the holidays before we could take steps necessary to aid our economy. We did not pass an economic stimulus bill, and we did not pass Trade Promotion Authority. We

must do better. We need to pass both of these because they are very central to stimulating the economy, which we always think of being short term, but with the President's authority to negotiate trade agreements, we can have a long-term revival of the economy.

I emphasize trade by often quoting President Clinton, who said one-third of the jobs created during his administration were created by trade, which means trade is very important to the betterment of our economy. Generally, trade-related jobs are very good, higher paying jobs.

So we did not pass a stimulus package and we did not pass trade promotion authority, although there was bipartisan support for both. There was overwhelming bipartisan support for trade promotion authority, as that bill was reported out of our Finance Committee 18 to 3. So since we did not pass these, I believe we need to do better.

Last week, President Bush was in Louisiana where he called upon the Senate to pass Trade Promotion Authority as a necessary part of our economic recovery. He also spoke on this issue near my State of Iowa, across the river in Illinois, in what we call the Quad Cities of our State. He was in Moline, IL, to promote trade promotion authority legislation and economic development legislation.

President Bush said, as President Clinton has said, that trade is very much a jobs issue. He said if we trade more, there are more jobs available for hard-working Americans. He is as right as President Clinton was right on this very issue.

Trade is essential to our economy. The United States exported over \$780 billion in goods and services to more than 200 foreign markets last year. Exports provide more than one-fourth of all economic growth in America. Trade is a very important part of our economy generally over a long period of time, at least for the last 50 years. In the case of the post-September 11 recession, it is very important to our long-term economic recovery.

Of course, President Bush knows that trade is an important part of our economic recovery, and that is why he called upon the Senate of the United States to put our political parties aside and focus on what is best for the United States of America and the American people.

As I said, we did act on this issue in the Finance Committee before the holidays. We came together in a bipartisan way and, in a vote of 18 to 3, voted out trade promotion authority. The key to the strong bipartisan vote can be found in one word, and that one word is "compromise."

Let me be clear. The trade promotion authority bill that passed the Senate Finance Committee is a good bill. It deserves our support. In negotiating that bill with the chairman of the committee, my friend Senator BAUCUS, we included some items I may not like, but that is the essence of compromise.

Neither one of us got everything we wanted, but we put aside our differences to do what is right for the American people. We came together, Democrat and Republican, and passed a good bill out of the Finance Committee that will help create jobs in America. Trade-related jobs, as everybody knows, pay 15 percent above our national average.

For that compromise, I commend Senator BAUCUS. Now we need to do the same thing in the full Senate. We need to do it, and hopefully do it very quickly. The reason for doing it very quickly is that starting, I believe the date is February 7, there are negotiations following on the new round that was agreed to by the 142 nations of the World Trade Organization last November in Doha, Qatar, a new round, and the negotiations would start next month.

We can start those negotiations without passing this bill, but the President will never be credible in these negotiations with the other 142 nations unless the President has this trade promotion authority. So we need to do this, and hopefully not have the partisan bickering we have had on some legislation, so we can get it done very soon.

Trade promotion authority to the President is not only key to our economic recovery but is also a very important tool which helps us help other nations in the world, especially poorer countries, and maybe was best said by President Kennedy 40 years ago when he said trade, not aid, is the leadership the United States ought to take in the way of helping other nations.

We have been giving aid since then, but the long-term benefit is helping another country to help itself, and the ability for them to sell their goods to us and for us in turn to sell our goods to them is very good. It not only is good economically, but I think it brings about a closeness of people around the world, of different societies, of different nations, so we have a greater prospect for peace. That should not be forgotten as well. Although we always talk about this in economic terms, we ought to think in terms of other things it does as well.

So it helps us help poorer countries in a way that helps them to help themselves. It creates jobs. It helps lift people out of poverty. Poverty is our enemy. Poverty leads people in the wrong path, towards war, political instability, religious fanaticism.

Following World War II, we stabilized Europe through the Marshall Plan and economic development. We won the cold war through our economic strength. Now we are fighting the war on terrorism. We need to keep up strong international economic leadership and bring more nations of the world into democracy and prosperity.

The President's political leadership, as our chief diplomat, does that. He does that through his leadership as our Commander in Chief. Also, the President can do this as our chief trade ne-

gotiator and know that he not only wants political leadership in the United States, he wants the United States to give economic leadership and do it in a way to help other countries help themselves and have long-term economic recovery. Trade helps America do all these things, and trade promotion authority for President Bush is the key. There is really no reason to wait.

The bill has strong bipartisan support. It will pass the Senate by a strong margin. That is why I urge today, as I have in several speeches over the last month, that our distinguished majority leader put trade promotion authority on the floor for a vote in February. There is no reason to wait on trade promotion authority. There is no need to waste time in giving the President the authority he needs to open new markets and create new jobs for the American people.

By passing trade promotion authority early this year, the Senate will help the President spur economic growth and continue our world economic leadership, as well as military and political leadership. We will create new jobs.

In this time of war on terrorism, it seems when a lot of people are pleading, and probably rightly so, that a lot of fanaticism comes when poverty is present, we will help fight terrorism by bringing more nations into democracy and prosperity.

It is time to get the job done. The American people expect no less.

I yield the floor.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Oregon, Mr. SMITH.

Mr. SMITH of Oregon. I ask unanimous consent to speak for 5 minutes in morning business.

The PRESIDING OFFICER. The Senator has up to 10 minutes under the order.

#### THE UNINSURED

Mr. SMITH of Oregon. Mr. President, we all come back having experienced different things and having heard different messages in our States. But as the Budget Committee took up its duties this morning and began hearing economic reports, it was clear to me on the committee that there is overwhelming bipartisan support for winning the war abroad and for better homeland defense here. Then differences begin to emerge as to how best to strengthen America's economic security. Clearly, the economic stimulus package is a priority for many, and certainly for the State of Oregon which I am privileged to represent. When we list all of those priorities, we wonder what is left to help with the other priorities this Nation has.

I rise to speak of a priority I have, that I began working on in the last session of this Congress, with my colleague, RON WYDEN, the issue of the burgeoning ranks of the uninsured. I rise to talk about that subject.

I stand to say that health insurance is something about which we should all be concerned. Living without health insurance can result in bankruptcy, unnecessary delays in treatment, and, in some tragic circumstances, even death itself. We need to be concerned about it, not just because we all may at some point in our lives become uninsured. We need to be concerned about the uninsured because it is a moral outrage that so many Americans have no health coverage even as they live and work in the wealthiest nation on Earth.

We have heard the statistics: Over 40 million Americans do not have health insurance. We have heard the number so many times that it seems to have lost its impact, in this place at least. Let's look at the number more closely: 40 million Americans is one in six people in our country who do not qualify for Medicare. That number includes citizens from every conceivable walk of life: children, pregnant women, parents, single adults, full-time workers, self-employed individuals, and students. The 40 million people include those who have lost their jobs as the economy has worsened. It includes people who have worked hard for small companies that cannot afford to offer health benefits to employees. It includes people who work for companies that offer health benefits, but who cannot afford their share of the premium. Most Americans would be surprised to know more than 80 percent of all uninsured children and adults live in families who have at least one adult working.

This week the country celebrated the life and work of Dr. Martin Luther King, Jr. More than 30 years after his death, it seems incredible that the racial disparity in health care is still so evident. More than any other group, the people who are living without health insurance in the United States are Hispanic and African American. Thirty-two percent of all Hispanics in this country had no health insurance coverage last year; the number is even worse for low-income Hispanics, 43 percent of whom live without insurance. This situation should no longer be tolerated.

As the Senate convenes for the second session of the 107th Congress, there has never been a better time to address the issues of the uninsured. Americans are losing their jobs as the recession continues, without the benefit of any economic stimulus legislation from this Congress.

In addition, the brief era of stability in health insurance premiums seem to have ended. In 2001, the average cost of employer-sponsored health insurance coverage rose 11 percent. Those who work in small firms saw increases substantially higher than that.

There can be no doubt what will happen this year. It has already begun. Through no fault of their own, many employers will have to raise copayments and premiums, while reducing

benefits, if they are able to continue to offer insurance to their employees at all. The bottom line is that more people than ever will lose their health insurance.

These numbers are truly startling. But behind every one of those, every single case of those 40 million people, there is an American face and a human story.

As I travel around Oregon visiting community health centers, I meet more and more people who live without health insurance. I hear their stories. There are many ways we can help shrink that gap between the insured and the uninsured. We should pursue that goal with the policy we begin formulating in the Budget Committee.

While the stories of all of the people I meet are different, they are, in most cases, quite tragic, and the circumstances that have brought them to these places are often similar. The loss of a job. An increase in insurance premiums. A serious illness. These are unavoidable circumstances that could happen to any American.

While I understand the looming budget deficit this year will make new initiatives difficult, the current economic climate is all the more reason to focus attention and resources on covering the uninsured this year. In the immortal word of Dr. Martin Luther King, Jr.: "The time is always right to do what is right."

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AGENDA FOR THE SECOND SESSION OF THE 107TH CONGRESS

Mr. DASCHLE. Mr. President, I came to this Chamber just as we opened the session to welcome back our colleagues and staff and all of those who are so much a part of this great institution. I reiterate that welcome again this afternoon. I am sure we all hope this new year and this new session will be constructive and productive.

Much has happened in the weeks since we adjourned. In the war on terrorism, President Bush and his national security team continue to do a superb job. And our men and women in uniform continue to inspire us with their heroism and their success.

Closer to home, workers in New York continue to clear away the wreckage at ground zero. At the Pentagon, rebuilding is already underway.

In Princeton, NJ, a tiny 15-day-old baby girl—the daughter of Scott and Lisa Beamer—is living proof that the spirit of the heroes of United flight 93 will never die.

And just yesterday—more than 3 months after the largest bioterrorism

attack in our Nation's history forced it shut—the Hart Senate Office Building finally reopened.

Those are all reasons to be hopeful about this new year. But there are also reasons to be concerned. In all, there are now more than 8.3 million Americans who want to work but do not have jobs. The collapse of Enron has cost thousands of Enron employees their jobs—and their retirement savings. Tens of thousands of other Americans who have invested part of their retirement savings in pension funds have also been hurt by Enron's implosion.

In South Dakota and all across America, people are working hard to raise their children, pay their bills, and maybe, if they are lucky, to put something away for the future. Our job this year is to help them, by strengthening our national security, our economic security, and the security of our democratic institutions.

As we begin this new session, we face two significant challenges. The first is fiscal. Last year, the Congressional Budget Office estimated the Federal Government would run a \$5.6 trillion surplus over the next decade. This morning the CBO released new reports showing that \$4 trillion of the projected surplus has disappeared in the space of just 7 months.

Instead of surpluses every year from now until 2011, current projections indicate that even if you include the Social Security and Medicare surpluses, the Government will run deficits at least in the years 2002 and 2003. And it will be forced to use \$1.2 trillion in Social Security and Medicare trust funds over the next decade to pay for other essential Government programs. That is before we add one penny for the Medicare prescription drug benefit or strengthen our military or increase our investments in homeland security, education, or other critical priorities. It is also before we add one penny for an economic recovery package.

The second challenge we face is ideological. There are some who predict we will accomplish little this year because of our genuine differences in philosophy on many issues and because this session is so short and the stakes in the November elections are so high. But we do not have to accept that prediction. Important issues do not have to be insoluble. The new education bill we passed last year is proof of that.

Six days from today President Bush will deliver his first State of the Union Address. Six days after that, he will send the Congress his budget proposal. Democrats will give the President's proposals very careful and respectful consideration. He deserves every aspect of respect and care that we can give his budget.

Today I would like to say a few words about what we see as our priorities for the coming year. And I might say that we look forward to working with the President and with our Republican colleagues to find principled compromises on each of them.

The first thing we need to do is finish our work from last year. We should start by passing an economic recovery plan that will create jobs and get America's economy moving in the right direction again.

Both the Democratic and Republican economic recovery plans are more than 75 percent tax cuts.

Over the holidays, the Congressional Budget Office analyzed all of the major economic recovery proposals and indicated that the least helpful would be repealing the corporate alternative minimum tax and speeding up the income tax rate reductions passed last summer.

Earlier this month, in an effort to get the negotiations moving again, I proposed two new business tax cuts for every company in America that creates new jobs or invests in new equipment and technology. But today, I offer another proposal for breaking the impasse.

There are four ideas that appear in every major economic plan—Democratic and Republican. The first is to extend unemployment benefits by 13 weeks. Republicans and Democrats have suggested that.

The second is to provide tax rebates for workers who did not get a rebate the first time. Again, both Republicans and Democrats have offered that.

The third is to provide bonus depreciation to encourage business investment. Again, both groups have proposed that.

And finally, the fourth is to provide fiscal relief for States to help them avoid cutting critical services—especially health care—or raising taxes during the recession.

I hope we can at least take up these four measures immediately. If there are others for which there can be agreement—perhaps New York assistance, perhaps the extenders, perhaps other issues—where we can find common ground, I would like to be able to do that. I hope we can do it this week.

I have begun talking with Senator LOTT, and he has been extremely responsive in his desire to try to find a way to move this legislation along. I commend him and thank him for that.

Later on this afternoon we will offer a unanimous consent request that will accommodate Senators' wishes to offer amendments but also, I hope, Senators' desires to get something done. So I am hopeful we can accomplish that this week.

I might add, we have a very limited period of time. We have a couple of days this week. And because of agreed-to schedules, we only have a couple of days next week. And then we have just 2 weeks after that before the Founders' Day recess. In that period of time it would be my hope we could do the economic recovery, the election reform, the farm bill, and an energy bill as well.

That is a lot to do, but if we can make every day count—beginning with this one—I think we can do it. I am

hopeful Republicans and Democrats can work together to ensure that happens.

As I said, we also need to finish the farm bill. We do not need another year or another month to know we have to build on what has been done already.

Since the Freedom to Farm bill was passed in 1996, farm income has dropped 25 percent. USDA now warns that unless we pass a new farm bill or more emergency assistance quickly, farm income could drop another 20 percent this year alone.

The farm bill is economic recovery for rural America. So we ask that we can work together again on this legislation. Let's work to pass it immediately. Let's go to conference. Let's resolve our differences. And let's get this legislation on the President's desk.

As I noted, the President shares the view that Republicans and Democrats have advocated with regard to energy. We need a national energy plan. The administration has proposed a plan which relies a good deal on adding to production. Their view is that we drill on certain sensitive lands on which I personally have some objection. The House-passed version of that plan would add \$34 billion in tax relief for energy companies.

What Democrats would do is have a balance between the need for new production and what we ought to do with conservation and with alternative energy development. Let's reduce America's dependence on not just foreign oil but on oil, period. That ought to be part of the debate we have on energy.

There is a lot of work to be done in a very short period of time. I hope we can do all of that in the time we have allotted for these very important bills.

We also need to pass terrorism reinsurance. Efforts to solve this complex problem last year were impeded by some who sought to use this issue to push other extraneous issues. This year we will need to work together to assess the real needs of the marketplace and provide real solutions—the sooner, the better.

Our second responsibility is to continue to lay the foundation for long-term economic growth. An essential part of that foundation is expanded trade. Last month, the Finance Committee passed a bill that gives the President expanded trade promotion authority and addresses important labor and environmental issues related to trade. The committee also passed a bill to expand trade adjustment assistance, including assistance for farmers who are displaced by global trade.

Early this year we will bring to the Senate floor a fast-track bill that includes both of these essential components, and I hope we will pass it with broad bipartisan support.

Expanded trade was a key factor in the economic boom of the 1990s. Other key factors were fiscal discipline and increased productivity made possible by advances in technology. To keep

America's technological edge, we should take final action on the Export Administration Act this year. We should expand broadband Internet access and work to make it universal, the same as telephone service, this year. We should find a way to make R&D tax credits permanent this year, and we should build on the bipartisan success of our new education bill passed last year by expanding opportunities to go to college or attend a training program and by working toward full funding of the Individuals with Disabilities Act so that children with disabilities can develop their skills to the fullest potential. After all, the minds of our young people are our best hope for long-term economic growth.

Our third responsibility is to increase families' economic security. We should raise the minimum wage \$1.50 an hour over 2 years so people who work full time don't have to live in poverty. In 1996, we changed welfare programs to say if you are able-bodied, you should work. Since then we have seen dramatic decreases in the State caseloads and increases in the number of people moving from welfare to work. For too many families, however, moving off welfare has not meant moving out of poverty. We need to strengthen welfare reform this year and make sure people who move from welfare to work have access to affordable child care, transportation, and health care so they can actually make a better life for themselves and their children.

We need to expand affordable health coverage to uninsured Americans. We need to pass a real, enforceable Patients' Bill of Rights. Insurers should not be able to deny medical care once you get sick, and certainly they should not be able to deny care or coverage based on the results of genetic tests that indicate you might get sick someday.

President Bush says he opposes genetic discrimination. We hope to work with him this year to prohibit both employers and insurers from using genetic test results as a basis for discrimination and to prevent disclosure of genetic information to banks, employers, and anyone else who has no legitimate need for information.

The collapse of Enron has left thousands of former Enron employees suddenly fearful of growing old in poverty. For every Enron worker, there are tens of thousands of workers in other companies who worry that they could share the same fate. We have a responsibility to look at everything from Federal rules governing 401(k) pension plans to corporate disclosure requirements under securities laws, to accounting reforms and whether the accounting industry's self-regulatory system is sufficient.

We need to learn what happened and then work together to prevent it from ever happening again. We must also work together this year to protect, not privatize, America's public retirement system, Social Security, and Medicare,

and to add real prescription drug coverage to Medicare. Half measures such as voluntary discount cards that just push the costs off on pharmacists and provide little savings to seniors are simply not adequate.

Our fourth responsibility is to strengthen homeland security. On September 11 and when the anthrax letter was opened in my office, we saw how devastating it can be when terrorists are able to slip through the holes in our homeland security. We need to work in a bipartisan manner to close those holes as quickly as possible.

We were puzzled during the debate on economic recovery when some insisted that strengthening our homeland defense was not an emergency. We are pleased by new reports that indicate the administration has now decided to devote real attention and resources to homeland security, and we will certainly work with them to do so.

Our fifth responsibility is to strengthen the security of our basic democratic rights and institutions. That includes the right of every American to vote and have that vote count. A year ago, we had just come through the most difficult Presidential election in our lifetimes. Since then, Senators DODD, MCCONNELL, BOND, SCHUMER, and TORRICELLI have come up with a bipartisan plan to strengthen our election system. I intend to bring their bill up as soon as possible. The American people are asking—fairly, I believe—whether our campaign system is part of the reason Enron was able to do what it did. Whether that is true or not, the mere suspicion that it might be true is damaging to our democracy.

House supporters need only three more signatures on a discharge petition to bring the Shays-Meehan bill to the floor. I expect they will get those votes and pass a good, comprehensive campaign finance reform bill this year. We must change the system now.

One of the heroes who defied the hijackers on flight 93 was Mark Bingman, a gay man. His courage may have helped save this very building. This year we should have the courage to pass ENDA, the Employment Non-Discrimination Act, and prohibit employers from discriminating on the basis of sexual orientation. We must also pass the bipartisan bill expanding the Federal hate crimes law to include gender, sexual orientation, and disability, and to provide greater protections against crimes motivated by racial and religious bias.

Scott Beamer will always be remembered for those final brave words: "Let's roll." His new daughter Morgan, born just 15 days ago, is probably the best known of the babies born to fathers who died in the September 11 terrorist attacks. But she is not the only one. So far there are 17 such babies, including a pair of twins. By summer there will be 40 more babies born to fathers who died in the September 11 attacks. Every day in America, 11,000 babies are born.

Last year was one of the saddest in our Nation's life. As we begin this new session, with its new challenges and new opportunities, let us remember those who died on September 11. But let us also remember the children they left behind, some of whom they never even had the chance to see or hold. Let us also remember the other children who are depending on us to pass on to them an America that is filled with as much hope, freedom, and possibility as the Nation we inherited from our own parents.

Let us resolve together to find a way to meet the most important of all of our responsibilities. I am confident that we can.

I look forward to working with our Republican leader, as I have always done at the outset of a new session of Congress. This year is certainly one of those years again.

I thank my colleagues and yield the floor.

The PRESIDING OFFICER. The Republican leader.

#### WORKING TOGETHER FOR AMERICAN SECURITY

Mr. LOTT. Mr. President, I want to thank Senator DASCHLE for his opening statement. I see a lot in his remarks that should give us encouragement and hope that we can come together and achieve things that need to be done this year in the Congress for the American people. Regardless of party, regardless of past difficulties, we should try to find a way to work together.

There's a common word between what Senator DASCHLE said and what I will be saying, if you look at what we have in our remarks and the thrust of those remarks. That word is "security." We need to pay close attention this year more than ever to that issue, that word. We need strong national security. We need to make sure that our men and women have the tools, the weapons, whatever they need to deal with the threat of terrorism and with threatened democracy wherever we may find it in the world. We also need to have personal security for our people here at home.

Last year brought so many startling things to our attention. Never before had we been attacked here at home like we were last year. And so, this year working on homeland security, working on personal security, we have to find a way to protect American people. Surely that's one of the obligations that we have as a Congress, to at least be safe and secure here at home.

The only way we can look after our national security and personal security is to have economic security. We've got to make sure that America is strong, that our economy is growing, that jobs are being created, that Americans have the opportunity to get a job, a good paying job, and to keep that job. And when they have a problem, on a temporary basis, that there's something there for them, that there will be un-

employment compensation. But we don't want them just to have a check for tomorrow.

We want a job for the future. Both of them are important. But we've got to look at economic security this year. We've got to take some actions in the Congress, by restraint, perhaps, by encouragement in other ways, so that we can have a stimulus to the economy, so there is some commonality in the themes of what's been said here today.

I think we've gotten off to a good start this morning. The President called the bipartisan, bicameral congressional leadership to the White house, and we met for 35 minutes, started right on time, ended right on time. He talked to us about what's happening around the world, our threats abroad and at home and what we needed to do with the economy. He listened to us. He extended a hand of cooperation. I believe that this President has changed the tone in Washington. He has tried to work with the Congress. We have produced a bipartisan vote, House and Senate, for major tax reform and tax relief for the American people last year. We did come together on the most fundamental education reform in 35 years. A lot of people thought the Thursday before we got the conference agreement it couldn't happen, but it did happen. And we came together—Republicans, Democrats, Liberals, Conservatives, President Bush. We got an agreement the American people liked.

I think that President Bush is going to be persistent in calling on us to do our work, to work through the procedure, the process. But to do our work, to produce the things we need for our country.

Last year we had a tremendous period of cooperation and bipartisanship. And then we kind of lost it there at the end. Maybe—maybe we were tired. The issues were different. Maybe we got to thinking about politics again. We kind of lost our ability to come together on an economic stimulus package. We didn't produce an energy bill. We didn't do trade. We didn't do agriculture. And we left a lot of nominations on the calendar. That was last year.

Now let's do it. Let's get this job done. And each one of those—those issues—were mentioned by Senator DASCHLE in his remarks, today.

Right now we're working to see if we can come up with some substance and a process and a procedure so that we can, in fact, consider and hopefully get a result on the economic security package, and we're working on what the substance might be and what the procedures may be. Right now we're working in a bipartisan way with three Senators, MCCONNELL, DODD, BOND, and others—Senator DODD as chairman of the Rules Committee. They've come together on election reform.

Now, is it perfect? Would we all like it just like it is? Not necessarily. Will some amendments be offered? Surely. But there's a case where when it looked like it was going to be a par-

tisan shootout, they've come together. And so this afternoon we're working to see if we can identify amendments and come up with a procedure to do this bill, perhaps in short order. Boy, wouldn't that stun people? The House has acted. Let's act in the Senate. Let's do it in a bipartisan way.

So, I'm encouraged. It is a new year. We have a window of opportunity. The President is doing his part. We're working to see if we can move some of these things that have stalled out. We should do that, and I will do all I can to try to encourage that and foster that. It'll take, again, working together and a little trust here and there, but there is a period here when we can accomplish, I think, a good deal for the country.

As we look back on last year and the horrors of September, we've been doing a lot. We've come together. I think we've changed. We changed for a while last year. Could we build on that attitude this year?

You know, the American people's attitude toward the Congress in terms of a favorable rating went up to the highest its ever been. Why was that?

It's because the American people saw us working together and doing what ought to be done. Rising above party. Now, over the last couple of months, those numbers have started coming back down. I would like to drive them back up. When you talk pure politics I've been on both sides. I've been in the majority and the minority. I've been in situations where we gained seats, held our own, lost seats. But I've figured out something. When we do our work, when we produce results, if you're in a leadership position, it pays positive dividends. People like it when they see us doing what we ought to be doing.

So we should look at the courage and the sacrifice of those who gave their lives last year, the families that have endured a terrible time here over the past four months—the courage of the firefighters, the policemen, the calm of Mayor Giuliani. Now there's a guy who rose above politics. I saw people cheering for him, chanting his name when they could have been chanting Senator DASCHLE's and mine. No, they were chanting Giuliani when we went to see Ground Zero. He rose to the occasion. When we look at the loyal support from overseas, the leadership of the President, when we look at how we did come together, then I think we can and should be able to learn from that and rise above just the normal things we get into here.

Our soldiers are fighting overseas right now. They're fighting for freedom. They're counting on us to give them the help they need. It would help if we could show this is a different time and a different place and we all learn something from September.

Next Tuesday, President Bush is going to deliver his State of the Union Address. I think the Congress will be wanting to hear what his agenda is, will listen very carefully to it. I believe

he'll call for the country and the American people to come together and support him and follow him. Yes, there's a legislative process and this very morning he said, I think we need a stimulus package. I understand the Senate has got a unique set of rules. You've got to deal with the process. You deal with the process but let's get this job done. He'll give us an agenda, and I believe the American people and the majority of the Senate of both parties, a large number in the Senate, will support what he wants to do in economic security, energy security, national security. I do think that we need to pay attention to the economy. There are signs that, well, yes, maybe it's improving but we're not quite sure exactly if it's improving enough. We see States struggling with their budgets.

We had a recession coming on going back to last March. It was clearly exacerbated by September 11. Are there some things we could do to at least sort of fill the interim here to help those who are unemployed but also to give incentive to small businessmen and women to create some more jobs, to have the economy grow?

We may not need it, but what if we do? What if we say let's wait and see and we wake up 6 months, 9 months, a year from now and say oh, my goodness this recession is not ending like it should? We can give some incentives that would be positive. I think we ought to try and find a way to do it. There are going to be people who try and find a way to do nothing. We can have gridlock. I don't want that. I think we ought to find a way to get a result to produce an economic stimulus package that is stimulative, not one that raises taxes, not one that's just more spending but one that actually will contribute to the creation of jobs.

So I think that's something we should focus on here in the next few days. And I'm willing to work with Senator DASCHLE and see if we can do that.

As a part of our economic security, we need a trade bill. I can understand that there will be features of the trade debate that need to be discussed. There will be amendments. But we passed a bill out of the Finance Committee 6 weeks ago or so on a large bipartisan vote. I voted for it. Senator DASCHLE voted for it. Let's get it up. Let's get it passed. Let's get to the President the authority he needs to expand the opportunity for trade. I think it will help our farmers. I think it will help out small businessmen and women. I think it will help our neighbors.

When I look to Central and South America, I see millions upon millions of people that could benefit from the trade, the products, the commodities that we could provide them. Let's pursue that. That would help our farmers. We need a farm bill, no question about it.

I was very unhappy with the way we ended on the farm bill. Maybe we had to do that. Maybe we had to wring out

the politics a little bit so we can then really produce a farm bill. I would call upon Senator HARKIN and the leaders on both sides of the aisle to see if we can find a way to improve the bill that's pending, get a bipartisan bill, but get it into conference and get something that hopefully won't take too long, that hopefully will not hurt agriculture in the future, that the President can sign so that our men and women in the businesses and all the people who depend on agriculture—including the consumer—some certainty as what they could expect. Again it won't be perfect but just the knowledge that it's coming and what they'll be able to do would be very positive.

I've been complaining about the energy situation for years. I really don't understand why in America we can't have a national energy policy. I don't understand why we are dependent for 59.6 percent of our energy needs on foreign oil.

Some people say, oh, you guys, all you want is just more opportunity to drill. That's not so. I do think we could get more oil of our own. I'm from an area where there's a lot of natural gas—clean—and I think it can be made accessible to the American people if we can get it out of the ground or from under the gulf or wherever it may be and develop a transmission or grid system to get it where it needs to be. I think we need to use coal.

I think we ought to pursue clean coal technology. I think we ought to promote conservation, encourage alternative fuels. I don't think we ought to believe that we're really going to conserve ourselves out of the need for energy. We're going to need it. And even though there may be tremendous opportunities technologically for the future and we should pursue those, I don't think that we're going to be able to produce 20 percent or 25 percent of our energy needs from alternative fuels or things that we don't now have for years. Let's be realistic but let's do it.

We went through the fiasco in the late 1970s of gas lines. We passed legislation. We tried to use alternative and find alternative fuels. A lot of them didn't work out. I was willing to try some of them. As I recall, coal gasification was one. I don't know if that ever quite worked. Maybe we've learned more since then and we can go into that area. But let's just do it. The day is coming when our energy needs are going to be a huge problem. It's going to be a national security problem, an economic problem. If just one oil producing country had a problem and cut us off, 25 percent of the world's oil needs would disappear. I don't like that. I'm looking for alternatives.

We've got a lot of products in Mississippi we could use, maybe in a different way like wood chips. We've got derivatives from cotton products. If there's some way we can burn that or convert it as a form of power, we ought to try it. I think we should go forwards.

Senator DASCHLE has committed to me and to the American people that we're going to go to this bill in early February, and we should not let it be taken down by a filibuster one side or the other. Let's get it done. We'll find a way to do it, I believe.

Nothing will be more important this year than what we do in national security defense. The President is going to ask for increased funds. I think he's going to be in a mood to introduce reform of our defense capabilities. I think that's needed. We need to continue to have multinational support.

When I look at the support we have gotten from countries all around the world—Britain, Australia, Italy, Germany, New Zealand, Russia, Canada, Turkey, Jordan, Poland, Japan, and countries we never before could have counted as allies. Look at what has happened with Russia. Who would have believed a year ago we would be doing the things we're doing with Russia today. Very few people.

But we still have a lot of challenges there. And we see opportunities with other countries. Is there some hope in some of those countries that have harbored terrorists but now are saying maybe we don't want to do that anymore. The President has been willing to step up and say mutual assured destruction is a relic of the past. Europeans say, oh, my goodness, he can't say that. What will the Russians say. They say we don't agree but we understand. We will work with America. America is not our enemy anymore. That's an incredible development.

So I think this is going to be an area that's going to take a lot of time and thought from all of us. And there will be nothing more important.

I think we should build on what we did in education. We haven't yet succeeded in reaching a situation where we'll leave no child behind. We need to go back and look at other education reform.

I think the Disabilities and Education Act will require reforming. I think the system is being abused by many people who should not be on the program and therefore is taking away from others who do need additional help. We can work through that.

I call on Senator DASCHLE and the Democrats to work with us on these nominations. This President is entitled to his nominees unless there's a huge problem. We've got nominees on the calendar here that got held up for a variety of reasons. We had Senators who were concerned about certain bills, so they objected to moving nominations. But we don't have an Ambassador to the Philippines. We have a nominee on the calendar. It's been reported out of the committee. We've got troops going into the Philippines. We don't have an Ambassador.

The position of the person who is in charge of nuclear safety is empty, yet the nominee is on the calendar. There's 50 such nominations on the Senate calendar. Let's try again. Let's move



those nominees, particularly for the President's administration. It is his administration. Surely Assistant Secretary, Solicitor's General, Inspector's General, Ambassadors should be confirmed. And the judges, I'm not going to go through the litany here.

The fact is we've got a lot of people who are not being treated fairly. I don't understand why Miguel Estrada has not been moved. He's an immigrant from Honduras. He's well educated and is an outstanding attorney but hasn't even had a hearing. We ought to move not only the district judges but the circuit judges. Let's move judicial nominees if there are not problems. Let's pick up the speed. I know the President would appreciate that. The President deserves that. We can do better.

There will be those we want to fight over. We'll have a vote on them. We'll have a debate on them, but let's at least do it. My impression is we have about 50 on the calendar and about a hundred in committees—150 judges and administration officials. I think we need to go back and take a deep breath and get that job done.

From my discussions with this President, I can tell you: He is as determined to pull this country out of this economic recession as he has been to put an end to the terrorist threat.

It was 100 years ago that President Teddy Roosevelt uttered that quip we all remember: "Speak softly and carry a big stick."

One thing I have found out about President Bush is that he does speak softly, but he carries a heavy agenda because the needs of our country are great and the expectations of the American people are great. But our opportunities for accomplishment are great, too. And frankly, our chances as a government institution are great at showing the American people how men and women of good will can meet halfway and then when they disagree, take a fair vote to see whose argument will prevail, complete their work on that matter, and move on to the next priority. That's all we on the Republican side of the aisle can ask.

Let's begin today. Let's get some agreements on how we'll proceed on these to important bills. Let's continue next week when we hear the President's State of the Union Address. Let's see how much we can do in the next 3 months. I believe that American people want that. And I know they would appreciate it. Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

#### ELECTION REFORM

Mr. DODD. Mr. President, I commend both leaders for their comments about the proposed agenda. While I certainly am not in a position to comment on the merits or demerits of the various proposals that have been suggested, there is one item in which the distin-

guished Senator from Kentucky and I are particularly interested. We are grateful to the majority leader and the Republican leader for making specific reference to the election reform proposal the Senator from Kentucky, Mr. McCONNELL, Senator BOND, Senator SCHUMER, Senator TORRICELLI, Senator DURBIN, and others have worked on to bring legislation to the point where we think we have a good product to present to our colleagues, to the Congress as a whole, ultimately to the President for his signature, and, more importantly, to the American people in response to a situation that did not merely occur in one State, in one election, but as we all know now for a number of years a slow deteriorating process of our election system to such a degree that it was crying out reform.

While we have not solved every single problem, we think we have set up a mechanism for the first time to deal with election issues for the foreseeable future, under a proposal offered by my colleague from Kentucky, a permanent commission, which I think is an excellent suggestion. We deal with some fraud issues that Senator BOND thinks are very important if we are going to have an election reform issue. While we may not have dealt with every issue, we think we have taken a major step in addressing some of the concerns he has raised.

For those of us who are interested in the disabled in this country, those who were denied an opportunity to vote who had a right to vote—many studies indicate that happened in far more cases than any of us would like to admit—we think we have put together a pretty good package for which we are very proud. That is not to suggest we have dotted every "i" and crossed every "t" and thought about every possible reform or improvement, but we think we have about as good a product as could be presented to a body such as this for their consideration.

I do not know what the agenda will be of the leadership, but I think, for myself and Senator McCONNELL, we are prepared to go forward when they would like us to go. Whenever that is appropriate, we are ready to present a proposal we think will enjoy very broad-based support, not only in this Chamber but throughout the country, including the National Association of Secretaries of State and others who have worked with us, and various other organizations around the country that are deeply interested in the election process.

I see my friend from Kentucky, to whom I would be happy to yield, but I say first when the bell rings and the leadership decides it is appropriate, these two Members and others who joined us and are prepared to present a proposal that we hope will enjoy the kind of support for which we think it is deserving.

I yield to my friend from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I echo the remarks of my good friend from Connecticut. Election reform had the potential of being an intensely partisan issue. While we know that may still develop, let me say we have had all of those discussions over the last 6 months in our negotiating process, and we have now come together with the hope we will be able to go forward in a totally bipartisan way to improve the election system in this country.

As the Senator from Connecticut, who has provided outstanding leadership on this issue, has indicated, we have dealt with the fraud issue, which is important to a lot of people on this side of the aisle. No one has been a more forceful advocate for removing barriers for the disabled to exercise the franchise. Senator DODD carried that ball very effectively in our negotiations.

I thought we needed a permanent repository for this kind of expertise, so we set up a commission with Presidential appointees equally divided between Republicans and Democrats. It would be the one place in America that States and localities could go for objective advice, not somebody knocking on the door trying to sell them a particular system but objective advice about the best way to meet their particular election needs.

We did not wipe out any particular election system in America. We did not mandate the use of any particular election system. We did provide some real money that would be dispensed on a matching fund basis by this Presidential commission to those who were interested in upgrading their system.

I think we have come forward with a good bill, and I thank my friend from Connecticut for his leadership on this subject. I have been happy to join with him on it. If and when we do go to this—and we think it will be early in the session—we would encourage people to offer amendments that are related to the subject. We think this is a bill that needs to move along, not be bogged down in extraneous matters unrelated to the subject.

Again, I thank the Senator from Connecticut. I look forward to working with him. We are ready to go whenever the leaders decide this is the subject matter before us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

#### THE INVESTOR CONFIDENCE PROTECTION ACT OF 2002

Mr. DODD. Mr. President, I anticipate the arrival of my colleague from New Jersey, Senator CORZINE, at any moment because we would like to at least put our colleagues on notice today of our intention to introduce legislation to strengthen the independence and objectivity of corporate audits in this country.

I have the fortunate job of being the chairman of the Securities Subcommittee of the Banking Committee



of the Senate. I have held that position for a number of years, both as chairman and as the ranking Democrat during Republican majorities in this Chamber, and have worked very closely with a number of my colleagues on a variety of issues affecting the securities industry, the confidence in our markets.

Obviously, the events we have heard about over the last number of days involving the Enron Corporation and Arthur Andersen's accounting firm and other questions have raised some issues that Senator CORZINE and I think need addressing. They have been discussed in the past. We have never codified some of these issues, but they have been the subject of extensive debate and discussion as how best to proceed.

We do not have the specific bill yet to put before the Senate today. We will in the coming few days, possibly as early as next week or the week after. We will lay out what we think is a framework for how, at least from the perspective of investor confidence, the accounting industry particularly needs to deal with the issue of consultive services and auditing services that they provide.

Our financial markets are the most vibrant in the world. That is stated over and over again. It cannot be stated often enough because it is true. There is a very simple reason for that continued success and that is because investors have confidence when they take their hard-earned money and in America they invest it in the public companies of this Nation. The world comes to the United States to invest because they know they will receive, very simply, a fair and honest deal. It is that simple.

There may be other factors and certainly we know that around the world there may be potentially a better return on one's investment in Asian markets and European markets or elsewhere, but the world comes to the United States because they know, while there may not be the opportunity to maybe make as much on their investment as may be offered elsewhere, that in this country if one comes here, our system is fair. Our system is fair and just, and that is one of the great attractions to domestic investors as well as foreign investors.

We can point to the depth of liquidity in this country, the degree of efficiencies in our markets, but ultimately the investing public, both internationally and domestically, invests in our markets and our companies because they believe the public information about these companies is true and it is accurate.

The accounting profession has played an incredibly important role in attaining and ensuring this investor confidence, and they deserve great credit, in my view, for the tremendous job they have done historically. The seal of approval that our accounting firms provide is a franchise of which we should be immensely proud in this country, and I think most of us are.

However, that franchise is in danger of losing the investing public's trust. Once lost, that trust would be difficult, if not impossible, to recover, at least in the short term.

In recent years, there have been a series of very high-profile accounting failures. The Enron failure may be the most prominent case, but it is certainly not an isolated incident. Indeed, it is only the latest, perhaps the most publicized, incident in a troubling series of incidents calling into question the integrity of corporate audits. More financial restatements on corporate earnings have been filed in the past 3 years than in the previous 10 years combined. These restatements have in most instances dramatically downgraded the financial health of the companies in question.

The collapse of Enron, specifically the seemingly massive failure of auditors to recognize and act on the myriad of financial reporting irregularities, focuses our attention on a central question: Are reforms needed to preserve and strengthen the integrity of the audit process? I have come to the conclusion that they are.

The accounting profession is undergoing tremendous change. Accounting firms no longer simply provide audit services. In response to our dynamic economy, they have adapted to become full-service financial consulting companies. I strongly support the diversification that is occurring in the accounting industry. In many cases, this development of expanding their services has allowed them to provide far better audits than they did in the past. However, these changes must not come, in my view, at the expense of these accounting firms' Federal mandate to provide objective and independent financial reporting. Conflict of interest, even the perception of conflict, undermines the confidence of the investing public.

I do not believe the Enron collapse was caused solely by the lack of auditor independence. That would be a terribly naive conclusion to draw. Many facts are yet to be uncovered. However, it is well known that the company's auditor received greater compensation for the nonaudit services it provided to Enron than for the audit services it provided. No one could fail to be troubled by the simple fact that there was compensation of \$27 million for consulting services and \$25 million for auditing services. No one can say it does not raise questions about the objectivity of the audit process.

No one, I believe, can seriously argue that when all the questions have been raised, we should not do everything possible to strengthen the independence and objectivity of financial audits. That is what we rely on.

There is an inherent conflict. The auditor's compensation is paid for by the very company being audited. We cannot change that. The only way I suppose would be to establish some Government agency or huge division

within the Securities and Exchange Commission that would conduct the Government audits of public companies. I don't know that anyone suggests that. I am not suggesting we ought to change the present system of having these accounting firms conduct these audits.

The problem is, if that same company is not only providing the audit but also providing a variety of other services, there is the perception, at the least, of a problem. I use the analogy of hiring a construction firm to build your house while the contractor is also the building inspector. One may end up with a great house, but there are some inherent concerns for the homeowner about whether or not the construction would be done as well, as soundly, and met all the requirements.

I do not believe the fact that the Enron Corporation hired Arthur Andersen to be its consultant and auditor necessarily caused this entire problem, but the fact is when a firm is doing both those functions for the same company, the investor confidence so critical to the success of our markets comes in question.

For those reasons, Senator CORZINE of New Jersey and I plan to introduce legislation in the coming days to implement four critical reforms to the auditing process.

First, it restricts auditors from offering nonaudit service to audit clients. Accounting firms could continue to provide audit and nonaudit services to clients, but they could not offer both services to the same client. I don't think that is an outrageous suggestion. I am not suggesting they ought not provide consulting services. It strengthens the audit process. If one client is providing those two services to the same client, there is at least a perception of a serious problem. I suggest that Enron's problem is not an isolated case; it is more widespread.

Again, accounting firms continue to provide audit and nonaudit services. They cannot offer both. This restriction builds upon the important work in this area performed by former SEC Chairman Arthur Levitt and former SEC chief accountant Lynn Turner, who should be commended for their tireless efforts. The SEC's current auditor independence rule has helped but, in my view, is inadequate to ensure full auditor independence.

Second, we propose a prohibition on any accounting firm providing an audit for a company whose comptroller or chief financial officer has worked for such accounting firm in the previous 2 years. This will help reduce the potential for conflict of interest that may arise when accountants become senior executives at companies they audited.

Third, we strengthen the independence of the standard-setting body for the accounting profession, the Financial Accounting Standards Board. The FASB is acknowledged around the world as the best accounting standard setter. But the FASB often comes

under tremendous pressure from a variety of sources to adopt standards that could cloud rather than clarify a company's health from the point of view of investors.

A few years ago a suggestion was made that Congress would legislate certain accounting practices that the FASB would have to sanction. I did not necessarily disagree with some who were raising the issue about various accounting procedures or practices. The idea that Congress would get in the business of legislating, by margins of 51-to-49 votes in this body, is a frightening prospect—that we would so politicize the Financial Accounting Standards Board. I can only thank those who may have agreed as I did, or at least partially agreed with some who made the suggestion, that we did not allow that to happen. Certainly FASB needs to remain independent and not subjected to the kind of political pressures suggested some time ago.

Our legislation also improves the independence and effectiveness of FASB by securing a steady funding source and encouraging greater timeliness of actions. One problem is they are very slow. They cannot keep up with what is going on in the real economy. FASB needs to act expeditiously in response to issues.

Lastly, our legislation improves the ability of the SEC to improve audit quality by doubling the size of the SEC accounting staff. Presently, the accounting staff is 20 to 25 people, the size of a congressional office, for oversight over all of the accounting firms and the audits that occur in the country. I am not suggesting just more personnel will necessarily solve the problem, but by increasing the size of that staff, and then having more random audits of the audits done, the prospect has its own obvious benefit to this potential problem. SEC accountants would help the agency do a better job of ensuring that audits meet the high standards of independence and objectivity that have been a hallmark of the American accounting profession.

In closing, I have spoken about the reforms with a number of knowledgeable people over the last several days, including those in the accounting profession. They have said privately these reforms go a long way to strengthening audits and the confidence of the American public. I look forward to working with Chairman SARBANES, who has already announced good hearings on the broader issue we are dealing with, and with the former SEC Commissioners, and has invited the chief accountants of the SEC to talk to our committee in a formal hearing setting. That will be tremendously helpful in examining what may be the best way to proceed. What we want to do after we lay down a bill is invite these people to respond before the committees conducting hearings on the subject matter.

I see my friend and colleague from New Jersey who brings a wealth of experience to this subject matter. In his

previous life he worked for many years in the financial services sector. He is recognized in this Chamber and elsewhere for the tremendous amount of knowledge he acquired over the years in this area. I am pleased to be joining with him in this piece of legislation.

Before I turn to my friend from New Jersey, my friend from Missouri is here. He is a knowledge builder as to this subject matter as well. As on most subjects, he has very strong feelings. I will not lure him into that at this particular moment because I want to hear his comments, if I may indulge my friend from New Jersey for a moment. Senator BOND and Senator MCCONNELL and I have worked, for almost a year, putting together an election reform bill. Senator MCCONNELL was here a few minutes ago talking about where things are and our willingness to come to the floor for our leadership, who asked us to do so. I again say publicly how much I appreciate the tremendous effort of my friend from Missouri. He is a great debater and tough negotiator, but when he gives his hand and shakes, it is a done deal.

I ask unanimous consent to yield to my friend from Missouri.

The PRESIDING OFFICER (Mr. NELSON of Florida). The time of the Senator from Connecticut has expired; he cannot yield. However, the Chair recognizes the Senator from Missouri.

#### ELECTION REFORM

Mr. BOND. Mr. President, I thank my colleague from Connecticut for attempting to be a floor manager, and I apologize to my colleague from New Jersey.

I make a brief statement joining with my good friend from Connecticut and my friend from Kentucky in commending to this body the election reform bill. It was not just hours but weeks, and perhaps months, we worked on this. His dedication to getting a good election reform bill through means we will have something good with which to work. There should be a lot of interest in this body because every single Member got here through the process of politics. This measure, that will be brought up, we hope very shortly, should ensure that everybody in America is treated fairly in the election process. And that has no greater champion than my friend from Connecticut.

As he indicated, I was interested in assuring that we prevent fraud. For those who may not have read it, I commend to them an article by George Will in the Washington Post today headlined, "A Long Election Day in Missouri." He outlines the case far better than I would on the floor. I just ask my colleagues to read it and see why part of the election reform proposal goes to combating fraud.

As Mr. Will points out, our Secretary of State, Matt Blunt, reviewed a small sample of ballots.

... among 1,384 ballots illegally cast [in St. Louis] were 62 by felons, 79 by people reg-

istered at vacant lots, 68 by people who voted twice and 14 [votes] cast in the name of dead people.

The only thing we missed out on in that go-around was in the past we have had dogs registered in St. Louis. As far as we could tell, no dogs voted in the last election.

I had an opportunity to address a leadership group in St. Louis—a very large group of people—during the recess. I told them the purpose of the Dodd-McConnell bill was to make sure that every American citizen, and, frankly, for Missourians, every Missouri citizen, who was a human adult American citizen entitled to vote had an opportunity to vote—once. I think everybody in St. Louis understands that. I think everybody around the country will.

We are going to have a very interesting discussion when we get onto this bill. We have spent a lot of time crafting it. I do not doubt that people will have new ideas they will bring to the floor. It should be a very interesting debate, but it is something that goes to the heart, the very heart of our form of government.

Everybody who is a U.S. citizen who is duly registered and entitled to vote in his or her State ought to have the opportunity to vote, but only to vote once. If we can pass this bill and combine it with the bill the House has passed, I hope we will see a much improved voting system in the United States for the 2002 election.

I thank my colleague from Connecticut. I look forward to working with him and I, again with my apologies to my friend from New Jersey, yield the floor. We look forward to getting on with it, to pursue the vitally needed election reform.

The PRESIDING OFFICER. The Senator from New Jersey.

#### ACCOUNTING REFORM

Mr. CORZINE. Mr. President, I very much appreciate the opportunity to work with Senator DODD on something that I think is vital to the American public, vital to the functioning of our financial markets and the health of the economy generally. Just as electoral reform is important, and I congratulate yourself and the Senator from Missouri and others who are leading us in that fight, I hope we can get the same kind of bipartisan focus on something that I think will make a difference to the functioning of our economy and our financial markets and the protection of investors that we are suggesting in the bill we are introducing today.

It is also unique on this side of the table to work with Senator DODD. I remember, as a former businessperson, testifying in Congress. Senator DODD always asked the toughest, meanest questions of folks with ideas they wanted to suggest. He was always spot-on with regard to their strengths and weaknesses. It is a great honor to work

with him in the effort to protect American investors by strengthening the regulation of our accounting profession.

The dramatic and sudden collapse of the Enron Corporation has shined a spotlight on the critical importance of auditors, the accounting function, in the operation of our economy. Enron's collapse has left thousands without a job and, maybe more important for many, without a chance for a meaningful retirement program that we worked so hard and long to provide.

It has been an economic disaster for pensioners, individual investors, and even institutional investors who relied upon the accounting statements, earnings statements, balance sheets, and analyses that flowed from that. Frankly, a lot of people think this came right out of the blue. A year ago this was the company with the seventh largest revenue in the country. Today it is bankrupt. It did catch people by surprise.

Now it appears that for years Enron engaged in a variety of questionable and certainly gray accounting practices—not the most transparent to the world—to hide debt and inflate its earnings so they would have the ability to position their stock at a higher value over time. We all took the hook. Yet Enron's auditors blessed these arrangements and raised no serious red flags for investors, even though they had some questions in their own minds. It is now obvious those individual auditors failed, and I think failed miserably, in making some judgments about what should have been published at the time.

Unfortunately, the failure of the auditors in the Enron case is not unique. We have seen several examples, highly public examples, of questionable accounting practices leading to serious problems in the statements of financial condition of companies across the country over the last few years. There has been a failure to blow the whistle when that should have occurred. In fact, we have seen a regular pattern that has developed of earnings restatements by some of the finest companies and corporations in America.

That in and of itself gives cause for concern, since people make judgments about what it is they are going to do in the investment world based on their interpretation of balance sheets and income statements that are presented at a given point in time. That is how they make future judgments. Clearly, some of those judgments in history were wrong because the restatement of earnings indicates there were differences in fact.

I think we need to be much more careful in this whole process. There is a whole series of detailed issues that I think need to be addressed—maybe not by Congress but in a much more fast-footed FASB, or Financial Accounting Standard Board, than we have had.

Based on my experience in the real world—or the financial world; I don't know whether that's the real world—I

can point to several possible explanations for these accounting failures. One is the serious increase in the complexity of these financial arrangements generally. The issue of derivatives and off-balance-sheet financing and the matter of notional amounts versus revenue standards—all of those things are very complicated in and of themselves. But there is an inadequacy, I believe, in our existing accounting structure to really scrutinize these and get to the nub of how they are reported on a timely basis.

Another problem is accounting firms increasingly are facing extreme pressures to find other sources of revenue, which often means generating new forms of revenue from the same businesses they audit. This, obviously, can create conflicts in reality and certainly in appearance. And I think they undermine the independence required of auditors as we go forward.

Another problem is that our regulatory structure, in my view, has been inadequate. It has relied far too heavily on self-regulation by the industry. That is a little bit like, what? Having the fox watch the hen house. Certainly I think it deals with an appearance issue that the public has a right to have us ventilate as we go through this debate. I think we need to do something about it.

Another problem is the integrity of the process for setting accounting standards. I talked about this before and whether that process has been compromised or certainly complicated by the nature of how that process takes place. In some cases, as I heard Senator DODD talk about, the fault may lie right here in this body, in the Congress. Certainly there is the appearance of political pressure getting wrapped up in how FASB, the Financial Accounting Standards Board, sets its rules.

These are true professionals who work very hard to try to get to setting down rules that will work in the accounting world. But these are complicated issues. And then sometimes people enter in from the political process and stop it, halt it, and we have not seen the kind of progress for the kind and nature of complexity that has developed in the financial world.

The bill Senator DODD and I are proposing is a significant first step towards addressing the problems I have outlined in the accounting profession. It includes tough new provisions to ensure the independence of auditors and restrict their ability to provide nonaudit services that inevitably create conflicts of interest. Whether that comes when you are working with the company or you separate it, I think we have some real reasons for debate on that. But I think we will work very hard to make sure people have confidence that we are auditors and we are working on functioning with a given company to present the data in a way that works a lot more like what the former SEC Chairman, Arthur Levitt, would suggest.

Also, our bill strengthens the Securities and Exchange Commission to put them in a better position to deal with the accounting industry on a real-time basis. I heard Senator DODD talk about 20 or 25 accountants for the largest economy in the history of the world. A 10-trillion-dollar account economy, and we have 25 accountants sitting over in a building across the street trying to figure out whether we are reporting accurately for all these companies. Just on the surface of it, it does not meet the standard of common sense.

We propose to double the size of the SEC's accounting staff. I think we need to seriously review what resources are necessary to deal with these problems so the public can have confidence with regard to what is going on in our accounting statements across the country.

In addition, the bill would help close the revolving door between auditors and their clients which also creates real conflicts of interest. We have set up rules in other parts of our economy for people who work in a particular area. An example is, if a person works in the Energy Department, they cannot go to work for an energy company an hour and a half after they leave their job.

I think it raises serious issues involving conflicts of interest when people go through a revolving door format going from being auditors to auditees. I think we need to look at those issues to make sure we have confidence that the chief financial officers, and others who have worked with the accounting firms, are truly being challenged independently by the accounting function. It is important.

As a former CEO, it was good to know that people could come in and say: You have these kinds of problems you need to check out. That is where the independent auditor performs an enormous service, aside from the financial statements. When that gets compromised because people are so close to one another, I think you run risks of setting up dangerous precedents on how decisions are taken within the audit function.

Finally, our bill would strengthen the independence of the Financial Accounting Standards Board—I have talked about this; so has Senator DODD—which sets the accounting standards. We would do this by establishing a steady funding source and demanding greater timeliness of action by the FASB. This is truly one of the issues that needs to be addressed.

We need to get on with a lot of the specific issues that have been addressed and have been tied up in knots for literally years and decades inside the Financial Accounting Standards Board. I think we can make a big difference in the functioning of our accounting system if we make sure we provide the resources to allow them to do their job appropriately.

I believe these proposals will go a long way toward strengthening the accounting profession and protecting the

integrity of the markets and protecting, ultimately, the investors and the retirees who are dependent on the information they derive from these accounting statements.

It is absolutely essential we have this debate, this discussion, and that we are intent on making sure we get to a secure system and that this not be a political issue. This is about making sure our financial markets work effectively.

I look forward to working with my senior colleague from Connecticut who has done such an outstanding job on a whole host of these issues. We are working to gain the public's trust. One way to do that is to make sure independent auditors are exactly that—

independent.

I think we need to respond. I hope we can do that quickly. We need to do it thoughtfully because we do not want to cause more problems than we fix. It is one of those things where making sure it is done right is very important because we are tinkering with the fundamentals of our economy. But we need to have good accounting statements to make sure people can make decisions on their investments in a way that is sensible and true to the facts as they stand.

I appreciate very much this opportunity to work with Senator DODD.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent to speak for up to 5 minutes.

The PRESIDING OFFICER. The Senator from Florida may proceed.

#### CONGRESSIONAL DELEGATION TO CENTRAL ASIA

Mr. NELSON of Florida. Mr. President, over the recess I had the privilege of going to the other side of planet Earth in the area of central Asia with 8 other of our colleagues. The delegation was led by the Senator from Connecticut, Mr. LIEBERMAN, and the Senator from Arizona, Mr. MCCAIN. In 7 days, we visited the heads of government of 6 nations. And what was a delightful surprise to our delegation was the fact that each one of the leaders of those countries wanted to express appreciation to the United States for us being involved in their countries to help rid them of terrorists.

They implored us, after this initial thrust of military success, not to turn on our heels and walk away. Indeed, if you look back in history, the United States made a mistake a little over a decade ago. We were involved, in the 1980s, in Afghanistan—albeit clandestine—as we were helping the Afghans

try to repel and expel the Soviet Union, which was trying to take over Afghanistan. And when the Soviet Union was whipped and tucked its tail between its legs and left, then the United States left also. That created a political vacuum—a vacuum that begs to be filled by political leaders, and that is the vacuum that was filled by the terrorists—ultimately, the very repressive Taliban regime.

So let's take a lesson from history and let's not repeat it. Let's listen to those leaders who said they don't necessarily want us to be there in the long run in a military situation, but they want our help in advising them technically, agriculturally, about communication, and indeed in Afghanistan about stabilizing the country, about setting up a national government, about setting up a national army so they can protect themselves from these outside forces and from these insidious forces that well up within, which was the terrorist organizations.

It was quite illuminating. We met with the Prime Minister of Turkey, the President of Uzbekistan, and the President of Turkmenistan.

We then flew into Bagram airfield with lights out in the middle of the night for security reasons. Those young pilots were using night vision equipment, and I am telling you, Mr. President, they greased that plane on to that runway with no runway lights, no airplane lights, and lights out on everything because of snipers, mortar, and rocket fire.

The descent was rapid, and the pilot did evasive maneuvers with the plane. The first instruction given to us before we stepped off the plane was: Do not dare step off the concrete tarmac because of the known and the unknown landmines.

The sergeant who escorted me through the darkness told me about his buddy who had his foot blown off just 2 days before traversing a footpath that the sergeant who escorted me had traversed many times before and had escaped the lethal explosion of a landmine that ultimately caught his buddy and caused the amputation of his foot.

We had the opportunity to meet with the interim Government of Afghanistan, with Chairman Hamid Karzai and his cabinet. What was very distinct—not only their enthusiasm, their absolute intent on making a success of a new kind of government that was not a repressive one—was the fact that, for the first time, the cabinet had a new minister: A minister of women's affairs, a prominent Afghan woman. As we met with that cabinet, they shared that message about being involved.

Chairman Karzai gave us an example of how for the long run he needed our help. He explained to us he was so appreciative of the humanitarian assistance and that it looked as if, for this winter, most of the starvation had been avoided but for the long run they needed agricultural assistance. They needed

the rains to come because without that, the farmers were not going to be able to grow crops in the spring, and they were going to return to growing poppies and, thus, in the drug trade and, thus, all the more ripe for exploitation by the terrorists we are trying to get rid of in that part of the world.

All of our Senators would be so proud of what we saw on the faces of those young men and women in the uniform of our country at Bagram airfield in the dead of night. They were absolutely resolute in being able to successfully fulfill their mission. They had tasted success. They knew their cause was just, and they were absolutely intent on seeing it through to a successful conclusion.

Whether we met young Americans in uniform in the neighboring countries, such as Uzbekistan to the north or Pakistan to the south, whether we met Americans in the diplomatic service or in the humanitarian component of our assistance, whether we met those young men and women in full-combat, cold-weather gear at the Bagram airfield right outside of Kabul, Afghanistan, or whether we met our marines at the airfield on the coast of Pakistan on the Arabian Sea, or whether we met our sailors and our pilots out on the aircraft carrier, the *Theodore Roosevelt*, off the Pakistani coast, they all had that conviction of expression on their faces: Absolutely intent on persevering and succeeding, knowing their cause is just.

We spent a good hour with the President of Pakistan. It has been said many times that President Musharraf, well before September 11, offered leadership by recognizing that he had a problem with terrorism in his own country. In early June, well before September 11, he had met with religious leaders and said: We are going to have to start dampening down the religious extremism. In his country, there are 3,000 of these madrasahs, which are religious extremist schools.

The President of Pakistan recognized he had a problem because where poverty exists and fathers and mothers cannot support their children, these children get shipped off to these religious schools where they provide the basic necessities for them but in the process train them in the ways of terrorism and extremism and teach them a doctrine that is not taught in the Koran.

The President of Pakistan saw well ahead of September 11 that he was going to have a problem. He started laying the groundwork so that when the awful events of September 11 came and he knew he was going to have to make a choice—was he going to fight with a coalition of nations led by the United States to rid that part of the world of terrorism, including the terrorists in his country, or was he going to stay with the longstanding policy where the Government of Pakistan had even recognized officially, diplomatically, the Taliban Government, and

was he going to break relations with them and cast his lot with the nations of the world that were trying to get rid of the terrorists—he did just that.

Of course, at the time my colleagues and I were there, we had another reason to be concerned about that part of the world because two armies were amassing on either side of the Kashmir border, two armies of nuclear nations which portend awful things for the peace of this world should they get into a hot war, not even to speak of how it would drain Pakistan's energies and military activities away from helping the coalition of nations try to get the Taliban, the al-Qaida, and the terrorist leaders as they attempt to flee into Pakistan.

We went up to the Khyber Pass and met with the commanding general who was commanding about 33,000 troops all in that sector of the Afghan-Pakistan border where we are concerned that al-Qaida are trying to flee.

The general assured us that with all of their troops on the border, plus all of their friendships and lines of communication they have built with the native Pakistanis in all of those villages, they will know when one of those terrorists comes across.

At the time we were there, which was about 2 weeks ago, they had already captured in excess of 200 al-Qaida. We went on to Muscat, Oman, and met with the Sultan of Oman. Again, it is a different kind of government in that region of the world and yet one that is very necessary in helping us as we knit and keep together this fragile coalition of nations, most of them being Muslim, as we fight terrorism in that part of the world.

I believe the leaders in Central Asia now recognize terrorist activity is one of the greatest threats to the stability of their countries, and I believe they are now much more enthused in supporting the coalition efforts because of the extraordinary success we have had.

I will conclude with this: The commander in chief of the Central Command I have the pleasure of having reside in my State, General Franks. He is stationed at MacDill Air Force Base where not only the Central Command is located but also the Special Operations Command. We have another commander in chief on the same base.

I think the military success of this war effort thus far is illustrated by the photograph we saw on the front pages of so many of our newspapers, which was the Special Operations troop, American, on horseback, riding with other Afghan troops on horseback. The difference was the U.S. Special Operations person was calling in pinpoint airstrikes from his vantage point traversing the terrain on horseback. It is a combination of low tech and high tech. It is a commitment of very specialized troops, few in number, but backed up by the superiority of the skies, the precision of the weapons, and the instant communication between the low-tech troop on horseback, or on

the ground, with the high-tech arsenal represented by the skies and by the pinpoint accuracy of the weapons.

So the terrorist is in a compound, suddenly there is an explosion, and he flees and all of a sudden sighs relief that he escaped, and then whammo, the second precision pinpoint-accurate weapon hits. Talk about demoralizing the enemy.

Why have we had success? Because of the combination of that and, in conclusion, because of the absolute determination of our men and women in uniform. That is what made me so proud for all of us, what made all of us in our nine-senator delegation so appreciative that we could express to those troops whom we saw the appreciation of the American people for their dedication and for their success.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DAYTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida.

#### BOWL GAME WAGERS SUCCESSFUL FOR FLORIDA

Mr. NELSON of Florida. Mr. President, as long as we have a lull, on a much lighter note I note for my colleagues some of the conversations I had prior to the Christmas recess and prior to all the bowl games. It so happened Florida had three college teams in bowl games, and so in trying to be a good Senator representing my State of Florida, I went to the respective Senators from the States with the other three teams.

Given the fact that the Gator Bowl in Jacksonville was being waged between Florida State University and Virginia Tech, I naturally went to Senator WARNER and Senator ALLEN and suggested we have a friendly wager on the game. What Senator ALLEN and I agreed to was we would wager a crate of Florida oranges and a bushel of Virginia peanuts.

I am one who absolutely loves peanuts, and I am going to thoroughly enjoy those Virginia peanuts that are going to be presented to me by Senator ALLEN next week. We will have an appropriate ceremony and may even have the president of Florida State University present for this solemn occasion.

Then I went to the other NELSON in the Senate, our fellow freshman, BEN NELSON of Nebraska, and suggested that something as monumental as the national championship being played in the Rose Bowl in Pasadena was certainly worth us determining we would put something of specialty of our State on the line, backing up our boast that our team was going to be the national

champion: The University of Miami versus Nebraska, the Hurricanes versus the Cornhuskers. So we determined in a friendly conclusion it would be a crate of Florida oranges versus a box of Omaha steaks. I am already stoking up my grill.

For the third bowl game of a Florida college team, the Orange Bowl in Miami pitting the University of Florida Gators against the Maryland Terrapins, I searched and searched for Senator MIKULSKI, and I could not find her in the remaining hours of the session. I finally found Senator SARBANES. I explained what I had done in the other bowl game and what was on the line in Miami in the Orange Bowl. Senator SARBANES chose not to engage in a friendly wager, of which I have just had the occasion today to remind him. He suggested he was wise beyond his years in not taking up my challenge.

Early in our tenure one day I overheard the other NELSON in the Senate speaking to a group, in a voice sufficiently loud that he knew I could overhear his statement. I will sum up the conversation in this spirit of levity. Senator BEN NELSON said to them, within my hearing: Oh, you must understand, I am the NELSON in the Senate who comes from the State with "the" football team.

I sauntered over and I said: That's right, BEN, you come from Nebraska, with the great Nebraska Cornhuskers, which I have great respect for, one of the finest football programs in the Nation. But, BEN, you must explain to your folks that I am the NELSON in the Senate who comes from the State with six professional football teams: the Dolphins, the Bucks, the Jaguars, the Gators, the Hurricanes, and the Seminoles.

I think that has now been amply demonstrated by the bowl games we just witnessed.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I inquire of the Presiding Officer, are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. I will speak for a few minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

#### BUDGET COMMITTEE HEARING

Mr. GRASSLEY. Mr. President, today, with the announcement that the Federal Government is facing near-term budget deficits, as opposed to long-term budget deficits, for the next

2 or 3 years, but not for the next 10 years, we will hear a lot of talk from the critics about the need to postpone or repeal last year's bipartisan tax cut. The critics say we should revisit the tax cut for two reasons. First, they claim the tax cut is responsible for a return of budget deficits; second, the critics claim the tax cut will jeopardize our long-term economic growth. I will consider each of these claims.

According to the CBO projections, the tax cut is responsible for less than 15 percent of the reduction in this year's surplus and less than 40 percent of the reduction in the surpluses for the 10 years we project ahead. The slowdown in our economy and the additional spending enacted last year are responsible for most of the deterioration in our budget outlay. The second criticism is that the tax cut will reduce the surplus, thereby exerting upward pressure on interest rates and reduce future economic growth.

A recent study by the congressional Joint Economic Committee concludes there is no evidence to support the criticism that interest rates rise because there is budget surplus or that there is a relationship.

According to the Joint Economic Committee:

Empirical studies on interest rates have uniformly failed to find any statistical significant relationship between interest rates and the budget balance of the U.S. government.

This result is likely due to the fact that the deficits we have seen in the past were not large enough to affect the interest rates given the overall size of our financial markets which would also include the global financial markets.

If the tax cut is not responsible for the rising deficits and higher interest rates, then why do the critics still complain? Maybe they have not read the studies to which I have referred.

Based on the studies, I asked critics the legitimate question, What is there to complain about? One reason I believe they want to delay repeal of the tax cuts is because they have a desire to spend the money, which, in the end, actually, then, if you spend it, because you increase taxes, you still do not have any less deficit.

Some critics have already announced they have plans to spend the money by raising taxes, or delaying the tax cuts, as they call it. As other spending plans become public, it will become obvious their cries for fiscal discipline are nothing more than crocodile tears.

In addition to the critics who want to spend the tax cut, there are also critics who insist we cannot afford the tax cut because our long-term budget projections show Federal spending will exceed revenue by 25 percent within the next 50 years. To argue, as they do, that we cannot afford a modest tax cut today because we will need a huge tax increase in future years ignores the obvious: Congress cannot provide more government than the taxpayers are

willing to pay for. Through our country's history, the Federal Government has never taken more than one-fifth of our Nation's income in taxes. That includes even in wartime. If we are not willing to pay 25 percent more for government, if we are not willing to do that now, why should we be willing to put ourselves into a spending policy where we expect our children and grandchildren to have higher taxes so they can pay for programs we instituted at a time when we were not willing to put taxes higher than they have ever been in the history of our country? Our challenge today is to get beyond the rhetoric and make affordable government once again.

In addition to this point, as we prepare for the next budget season, I participated today in the Budget Committee review of the CBO report. Once again we are having this issue brought up about the tax cut being responsible for the budget deficits, as opposed to the war on terrorism, as opposed to the recession that is a result of the war on terrorism, and some technical budget adjustments that are made annually.

In regard to the accusation that the tax cuts proposed by President Bush in the last election, and then in turn enacted by Congress—and in turn when it was enacted, it was enacted as a bipartisan tax relief package because several members of the Democratic Party voted for it—in regard to that being the cause of the deficit, as is the insinuation on the part of those people who make that argument, I made the point this morning, and I would like to repeat the point I made in the Budget Committee to the Members of the entire Senate, that if you look at the \$1.3 billion tax cut the bipartisan Members of this body voted for and the President signed on June 7, and you say that is the cause of the deficit, you have to also look at the fact that there was an alternative called the Daschle-Carnahan amendment that was offered that was \$1.265 trillion, just 6-percent less than what the President signed.

That amendment got 48 votes. It lost, but almost every member of the Democratic Party voted for that amendment.

So whether you look at \$1.3 billion that passed by a bipartisan majority, and a pretty overwhelming majority, or whether you look at the Daschle-Carnahan amendment, we have all but two or three Members of this Senate who voted for tax cuts of at least \$1.265 trillion or the 6-percent higher figure that was finally adopted of \$1.3 trillion. Either way, just considering that 6-percent differential, you are going to end up with about the same budget deficit situation, short term or long term, under a policy either way that was backed by all but about two or three Members of this body last spring.

So my point is this: It is wrong for Democratic leaders to blame the bipartisan tax cut that the President signed on June 7 for the deficit situation without taking credit themselves for back-

ing such a tax policy that was only 6-percent less than what the President had already proposed.

So I don't think we have a bad situation because of the reduction of taxes. We have a bad situation because of the war on terrorism, the economic recession caused by the war on terrorism, because of technical adjustments in the budget, and because of the additional appropriations we had to have for the military and for the domestic war on terrorism.

That is where it is. But if you want to blame taxes, there are 97 or 98 of us in this body who have to share that blame, not just the 48 Republicans and 12 Democrats who voted for the bill the President signed.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, I ask unanimous consent to speak as in morning business for up to 5 minutes.

The PRESIDING OFFICER. The Senate is in morning business. The Senator from Kansas is recognized.

#### NOMINATION OF UNITED STATES AMBASSADOR TO THE PHILIPPINES

Mr. BROWNBACK. Mr. President, I rise to bring to the attention of the Senate a situation on which we need to take some action. Presently in the Philippines there are two Kansans being held hostage by a group of terrorists called the Abu Sayf group. It has links to al-Qaida and bin Laden. They got their start through al-Qaida and bin Laden and now are operating in the Philippines.

They have taken a number of people hostage over a period of 8 months. A number of these individuals have been released. One has been beheaded, a Californian. The two who are Kansans and a Filipino remain hostage. This matter was discussed on the TV show, "48 Hours," Monday night of this week.

They are in a desperate situation; Martin and Gracia Burnham are the two Kansans. They are missionaries. Their parents are missionaries in the Philippines. They have taken up that calling as well. They were there and taken hostage and have been held by this group now for 8 months.

The Senate has before us, nominated to be the United States Ambassador to the Philippines, Ambassador-designate Ricciardone. He is qualified and knowledgeable. He was cleared through the Senate Foreign Relations Committee. He is the appropriate and right person for this job. He remains stalled in this body, unfortunately, at this point in time.



I take this opportunity to ask my colleagues if there is a way that we could get this nomination cleared. I know there are a number of difficult and nettlesome issues in front of the Senate, and sometimes things are associated one with the other. But if possible, if we could free this nomination to move it forward so the United States would have an ambassador to the Philippines to negotiate and to see to the safe release of these two hostages, it would be important to America, important to the Philippines, and to the overall world effort.

The United States is involved in some delicate issues with the Philippines at the present time. I will not speak about that. The current issue I am concerned about is not only the work the United States is doing with the Philippines—the Philippine military has taken on this exercise to free the Burnhams; they have been aggressively pursuing the terrorist group for some period of time—but we need a leader from the United States. We need our ambassador to the Philippines in this delicate situation.

If the Presiding Officer or other Members of the Senate could have seen “48 Hours,” they would have seen Gracia Burnham pleading: Will somebody please show us mercy. Will somebody please notice that we are here and help us out. She said that morning she awakened with chest pains. They are living in the jungle, being moved daily and on the run. It is a difficult, horrible situation. They need our key representative in that country.

I ask other Members of the Senate to please consider and see fit to moving forward on this nomination that has cleared unanimously the Senate Foreign Relations Committee—a professional, highly qualified for this position, which would mean so much for our efforts in the Philippines to date. If my colleagues could see to that, this would be an important addition to the international portfolio of ambassadors.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. CLINTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. STABENOW). Without objection, it is so ordered.

The Senator from New York.

#### NEW YORK'S GROUND ZERO CLEANUP: AHEAD OF SCHEDULE AND UNDER BUDGET

Mrs. CLINTON. Madam President, along with my colleague Senator SCHUMER, and Congressman NADLER in the House, I reaffirm the commitment of this Congress and this Nation to the rebuilding of New York.

One hundred thirty-five days after the worst attacks in history on U.S.

soil, I ask my colleagues to join me in a pledge to fulfill our promise to all Americans to make New York—our financial, our cultural, and media heart—whole again.

The World Trade Center attacks claimed the lives of close to 3,000 of our fellow citizens, as well as those who had come from other countries to America seeking a better life. The emotional toll has been staggering. I have met with countless family members who lost mothers and fathers, sisters and brothers, husbands and wives, daughters and sons. While there is nothing we can say or do that will bring these loved ones back to their families, the outpouring of compassion and kindness from all over the Nation has brought comfort to many.

Along with this heartfelt sympathy, I believe we have an obligation to help not only those who lost their loved ones but also help those who lost their livelihoods rebuild their lives and reclaim their futures.

New Yorkers were comforted when the President and leaders from the House and the Senate came to ground zero and stood in the House and Senate promising to make New York whole again. Their determination in the face of what seemed at the time great odds reinforced the workers who labored day after day, night after night, at ground zero. Despite the many obstacles, the recovery effort has moved forward faster than anyone could have predicted.

Some months ago, I told my colleagues our best estimate was that with 24-hour-day shifts, we would perhaps have to take an entire year to clear the site to be ready to rebuild. I am very proud of the construction workers who have been working day in and day out, often at great personal sacrifice and risk, as well as the contractors who have worked with the city, to the end that we now believe this cleanup effort will be completed 4 months ahead of schedule and billions of dollars under budget.

That does not in any way take away from the fact that the financial toll has been enormous. In fact, the terrorist attacks are estimated to cost New York City and its businesses over \$100 billion in financial losses over the next 2 years. Lower Manhattan's business district has been decimated. Nearly 25 million square feet of office space, 20 percent of all of downtown New York's office space, was damaged or destroyed by the attacks, leaving 850 businesses and over 125,000 workers physically displaced.

The effects of these attacks have also been staggering on New York's workforce. New York City's unemployment rate spiked to 7.4 percent in December, nearly a 3-year high, from 6.9 percent in November. The September 11 attacks ruined our small businesses, destroying and severely impacting nearly 15,000 of them. Businesses that were thriving on September 10, employing people, building a positive future for themselves, were destroyed, and they

remain out of business 4½ months later. We are expected to lose nearly 150,000 jobs, and that is an unsustainable loss.

The number of private sector jobs sank 3 percent last year, more than twice the national rate. We are struggling to make sure the aid that was voted for at the end of last year gets out as quickly as possible, and especially gets into the hands of these small businesses that are desperate for some kind of assistance.

We also face a big job in cleaning up, repairing, and rebuilding the infrastructure. The attacks left 42 percent of Lower Manhattan's subway system unusable. That translates into significant disruptions in the daily commutes of 335,000 passengers who ride to Lower Manhattan every day.

We are going to be getting some positive plans adopted soon, we hope, that will show what needs to be done to repair this infrastructure. I know this body will be there to help.

I have been especially concerned about the air quality at and near ground zero. Many of our rescue workers, firefighters, police officers, construction workers, residents, and others have been complaining of respiratory problems. Some call them the World Trade Center cough or the 9-11 cough. It is a significant health problem.

I have visited with physicians who are treating the firefighters and the construction workers. They are concerned because a lot of people are really encountering severe respiratory problems and developing asthma. We have many families and residents who still are afraid to move back into their homes, leaving large parts of Lower Manhattan uninhabited, leaving buildings that were once prime real estate nearly empty.

I am pleased the Clean Air, Wetlands and Climate Change Subcommittee of the Environment and Public Works Committee has honored my request and will hold a hearing in New York City on these issues in a few weeks. We really do not know the effects of the exposure on those who have been most directly involved in the work at ground zero and others who are within the vicinity, but we owe it to them to find answers. We have to make sure we know what the health risks are for the children who are being asked to move back into the elementary schools that were vacated near ground zero. I am hopeful this hearing will get to the bottom of some of these issues.

We also have to be sure our workforce is not forgotten. So many of them need some extra unemployment insurance. So many are about to lose their health insurance.

I went to a hearing last week that was held with hundreds and hundreds of people. We had testimony from representatives of various groups, and the biggest concern among the workers who had worked in the World Trade Center or at a neighboring business



was that their health insurance policies were about to run out and they did not know where to turn.

We have been discussing what should be done on a recovery package for the Nation, but I know from firsthand experience we really must focus attention on New York's needs in terms of unemployment insurance, disaster unemployment assistance, and the extension of health care benefits in order to give some help to those people who, through no fault of their own, were left unemployed directly because of the attacks.

Similarly, we have to continue to support both the public and the private sector in meeting the needs that come out of 9-11.

I thank Chairman BAUCUS and ranking member Senator GRASSLEY for their help to Senator SCHUMER and myself as we have tried to draft policies that will make a direct impact on the financial burdens being shouldered by the public and private sector. We need tax incentives. We need bonding authority. We need advanced refunding authority. All of that has been worked through the Finance Committee. A similar proposal has passed the House. I am hopeful we will be able to get something along those lines through the Congress and to the President very soon, either standing alone or as part of a larger economic recovery proposal.

One issue that is now more pressing than when we left a month ago is the impact on States across the Nation of the economic slowdown and of 9-11. We are seeing increases in unemployment in many parts of the country. We see many people lose their health insurance. We expect to see millions more added to the Medicaid roles. It has been predicted that the number of children on Medicaid could increase as much as 11.3 percent. At a time when State budgets are already reeling from reduced revenues, when States—unlike the Federal Government—have to run a balanced budget, they cannot spend more than they take in. They may not have the resources needed to address these increasing health needs.

That is why I hope, in a bipartisan manner, we can provide some relief to States. They are desperate for it. Whether Republican or Democratic Governor, we are hearing they need help. They need help not only to meet health needs but also law enforcement and homeland security needs. If we do not provide direct assistance to cities and counties, they are going to be running in the red, with the overtime they are now paying and with the additional responsibilities imposed on police, firefighters, and emergency workers.

We have our work cut out for us. I am confident that under the leadership in this body and in the House and with the support of the administration we can meet the needs of New York and we can assure the people who were so directly devastated by these attacks that we stand with them.

Earlier today I was privileged to be at the White House. It was a nostalgic

return visit for me, sitting in the East Room, surrounded by my colleagues from New York, New Jersey, and Virginia, all of whom had gathered to witness the President signing the Victims Tax Relief Act, something I fought very hard for because it was a tangible way of providing assistance to those who were directly impacted with the loss of a loved one on 9-11. I am proud we included Oklahoma City victims and victims of the anthrax attacks because we need to demonstrate America is united not only in our war against terrorism but on behalf of the victims of terrorism. I was very proud when the President signed that bill, surrounded by so many of the families from New York and New Jersey with whom I have met, as well as other families from around the country who lost a loved one on one of the planes in the Pentagon attack or in the fields of Pennsylvania.

It was a very reassuring moment to see how all levels of government were supporting those who woke up on September 11—on a beautiful autumn day for flying, for going to work, for minding one's own business—and ended a day having lost a relative, a friend, knowing their lives would never be the same.

I strongly hope Congress will pass this resolution and reaffirm our commitment to New York by continuing to provide the much needed Federal assistance that New Yorkers require to recover from these horrific attacks that were, as we know so well, attacks on America.

I appreciate this opportunity to take a few minutes to set the stage and remind everyone that, although we face future challenges with the continuing war on terrorism to make sure national security is as strong as we can make it, to ensure we are doing everything possible to enhance our homeland security and that we take necessary steps to assure economic security in the face of the economic downturn and the attacks on 9-11, that we also remain united behind the needs of New York.

It is an honor to represent New York. It is often a challenge to convey the needs I see every day. I try to do my best to speak for those who will never stand in this Chamber but who are living every day with the consequences of those horrific attacks. It is such an honor to represent such brave and courageous Americans as I do in New York. I look forward to the continuing help I have received with such graciousness from my colleagues to make sure that New Yorkers know America stands with us.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. CARNAHAN). Without objection, it is so ordered.

#### HOPE FOR CHILDREN ACT

Mr. DASCHLE. Madam President, I move to proceed to H.R. 622, and I ask unanimous consent that the pending farm bill not be displaced by the adoption of this motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

#### AMENDMENT NO. 2698

(Purpose: To provide incentives for an economic recovery, and for other purposes)

Mr. DASCHLE. Madam President, I have an amendment at the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for himself and Mr. BAUCUS, proposes an amendment numbered 2698.

Mr. DASCHLE. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DASCHLE. Madam President, I express my appreciation to the distinguished Republican leader for this ongoing effort to try to get to this point. This is not what he would have subscribed to; this is not what I would have subscribed to necessarily.

Basically what this does is provide us with an opportunity to move forward on an economic stimulus package. It is open to amendment. But what I have done with the amendment I have just offered to the bill, H.R. 622, which is the adoption tax credit bill that had been on the calendar, is simply provide an opportunity now for us to move forward.

The amendment I have just offered is comprised of the four components I have been talking about on the floor and off the floor. The amendment includes, first, the bonus depreciation legislation, the tax rebate, the unemployment legislation, and the so-called FMAP, the resources provided to the States to help them offset the cost of Medicaid.

Those four components are components in various forms, of course, that have been supported by Republicans and Democrats. It is the right of any Senator now to offer an amendment,

whether it is the complete substitute that some might prefer or targeted amendments dealing with these four components or something else.

My hope is, however, at some point in the not too distant future we can complete our work on this and go to conference so we can ultimately complete our work on a bill that enjoys both House and Senate support and hopefully the support of the President as well.

That is, in essence, what we have done today. I appreciate the help and the cooperative effort that has been made by a number of our colleagues, not the least of whom is the Republican leader. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Madam President, I believe Senator DASCHLE has appropriately described the procedure that is being employed in this situation. It is highly appropriate we begin this new year by trying to work through the amendments and the process that can get us to an economic security package.

I do think the economy needs some stimulus. I do think we need additional unemployment compensation. I think we need to look at ways to give incentives to small businessmen and women to create jobs so we have growth in the economy, so we are not just trying to help our people make sure they have something to live on this week but so they can get and have a good paying job in the future.

We could debate about when we should have done it and how we should do it, but the fact is we should do this. We have talked back and forth during the past 24 hours about the best way to proceed. I obviously thought the best way to proceed was to call up the House-passed bipartisan bill, have it open for amendment and debate and see how it moved and to get a vote on that, but we could not come to agreement to get that done.

We also looked at coming up with this so-called common approach with the four components and limiting amendments. Part of the problem was the fourth item, the Federal assistance to the States. The way it was going to be introduced was not in the bipartisan House-passed package so it was thought this was not a common approach provision by our people.

There also was some resistance. I think in both conferences, to say we can only have two or three amendments. I believe by having an opportunity to offer amendments on both sides after a reasonable period of time Members are going to make a decision. We need to go ahead and get this done and get it to conference or, if we cannot come to agreement on something, it deserves to go forward. It is going to be difficult because at this point procedurally 60 votes are required for amendments or substitutes. We will have a full debate. We will have a chance to offer amendments, and I

think it is necessary and appropriate that we try to get a stimulus package done.

So after a lot of discussion back and forth, this is the best procedure we could purpose. We did not require a vote on the motion to proceed to the bill that was being used to call up this procedure, and we are not filibustering it. We want it resolved. I think this could get it resolved, but it is going to be tough. It is going to take some give and take on both sides. We have to try to come up with something that will enjoy bipartisan support to get 60 votes. We will see if we can get that done. It is certainly worth the effort.

I yield the floor.

Mr. DASCHLE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CREATING A NEW BUREAU OF INDIAN TRUST ASSET MANAGEMENT

Mr. DASCHLE. Madam President, it has long been recognized that the Department of the Interior's Indian trust fund accounting and management systems have struggled with the challenge of meeting the Government's trust responsibility to Native Americans. Shortly before the Christmas break, to her credit, the Secretary of the Interior acknowledged this fact and proposed reorganizing the way the Department handles its trust asset management responsibilities.

The Secretary has proposed creating a new Bureau of Indian Trust Asset Management to manage Indian trusts. It is now the job of the Department, Congress, and the tribes to assess how this plan would work in practice.

Tribal leaders in South Dakota have emphasized to me their concern that any BIA reorganization plan that has not been thoroughly discussed with the Native American community nationwide could hold potentially adverse consequences for tribal members. The leaders of the nine tribes in my State, for example, ask how such a proposal would address the underlying issues of trust fund management in light of the pending Cobell vs. Norton class action suit; how it would impact funding for other programs upon which tribes depend; and how it would affect the self-governance of Tribes.

These are legitimate questions, and tribal leaders and their members deserve satisfactory answers prior to the implementation of any reorganization plan. I hope that a more concerted effort will be made, by the Department and Congress, to involve tribal leaders fully in the decision-making process on the BIA reorganization effort. Certainly no significant organizational changes within the BIA should be made without adequate consultation with tribal leaders across the country. The essence of the Federal Government's trust relationship with the tribes requires no less.

#### TRIBUTE TO MAJOR JEFFREY W. PRICHARD, U.S. AIR FORCE

Mr. LOTT. Madam President, I would like to take this opportunity to recognize and say farewell to an outstanding Air Force officer, Major Jeff "JoBu" Prichard, upon his departure from my staff. Major Prichard was selected as an Air Force Fellow to work in my office during the First Session of the 107th Congress due to his outstanding professional reputation and superior knowledge of Defense issues, the United States Air Force requirements process, and the military presence in my home State. He has been a valued team member and it is a privilege for me to recognize his many outstanding achievements and the superior service he has provided the United States Senate, the Air Force, and our Nation.

Major Prichard, a native of the State of Mississippi, graduated from the University of Southern Mississippi and was commissioned a Second Lieutenant through the Reserve Officer Training Corps, ROTC. Since then, Major Prichard has spent the majority of his career patrolling the world's skies as an Air Force fighter pilot. Following flight training, he began his service flying the F-15C "Eagle" in the 67th Fighter Squadron, 18th Tactical Fighter Wing in Okinawa, Japan. During this tour, Major Prichard was selected as a member of the 18th Wing team that won the 1992 Worldwide William Tell Air-to-Air Weapons Competition and he out flew all competitors to win the coveted "Topgun" Trophy. After his tour in Japan, he reported to the 60th Fighter Squadron in Ft. Walton Beach, FL, where he deployed in support of Operation UPHOLD DEMOCRACY in Haiti and Operation SOUTHERN WATCH where he lead 34 combat missions patrolling the skies over Iraq enforcing the no-fly zone. Also during this tour, Major Prichard attended the Air Force's Weapons School at Nellis AFB, NV, and in September 1996 was handpicked to return as an instructor. In 1999, Major Prichard left the cockpit to serve on the staff of the Secretary of the Air Force in Washington, DC, as the Air-to-Air Missile Program Manager and then was selected to serve as a Military Legislative Fellow during the 1st session of the 107th Congress.

Major Prichard quickly became a valued member of my staff sharing his

proven operational experience and insightful knowledge on a number of Department of Defense issues, including defense health care, operational bed-down of C-17 and C-130J aircraft, various weapons systems, military construction, and university research programs. Specifically, Jeff was instrumental in helping the Air Force craft a C-130J Roadmap for future bed-down of operational assets that took into account Congressional concerns. He helped me articulate a successful case for adding funding for additional maintenance training simulators and military construction projects that will help ensure the successful bed-down in Jackson, MS of the first ever C-17 aircraft assigned to the National Guard. He helped craft new legislation that will ensure the financial viability of our Armed Forces Retirement Homes and the quality of life for the residents well into the 21st century. He also provided extremely valuable inputs in helping to craft legislation that established the future site of the Air Force Memorial while preserving as much acreage as possible for the Arlington National Cemetery. Major Prichard's coordination with the staffs of the Senate Armed Services Committee and the Senate Appropriations Defense Subcommittee led to over \$28 million in additional military construction funding for Mississippi's military bases and yielded over \$100 million in research, development, test, and evaluation funds for universities in Mississippi.

Major Prichard is married to the former Wendy Lynn Hurlbert of Minneapolis, MN. They have three children, 10-year-old daughter Sydney, 8-year-old son Jeffrey Jr., and 5-year-old daughter Hailey. Among Major Prichard's many awards and decorations are the Meritorious Service Medal, Air Medal, Aerial Achievement Medal, Air Force Commendation Medal, and Air Force Achievement Medal.

Major Prichard will return to the Air Force at Langley AFB, Virginia, where he will once again control the skies in the F-15C. I have appreciated greatly Major Jeff Prichard's contributions to my team and I will miss him. On behalf of my colleagues on both sides of the aisle, I wish Major Prichard and his family "Good Hunting and Godspeed."

#### TRIBUTE TO COMMANDER MICHAEL LIPSKI, U.S. NAVY

Mr. LOTT. Madam President, I would like to take this opportunity to recognize and say farewell to an outstanding Naval Officer, Commander Michael Lipski, upon his departure from my staff. Commander Lipski was selected to work as a Navy Fellow in my office during the First Session of the 107th Congress due to his outstanding professional reputation and superior knowledge of Defense programs, industry, and the military construction requirements process. It is a privilege for me to recognize a fellow Mississippian for

the devotion to duty, exceptional performance, and outstanding professionalism he has provided to the United States Senate, the Department of Defense, and our great Nation.

Commander Lipski entered the University of Mississippi in 1979 and was commissioned as an Ensign upon graduation in 1984. After his completion of the Navy's Surface Warfare Officer School in 1985, he served as Auxiliaries Officer and Main Propulsion Assistant on USS *Oliver Hazard Perry*, FFG-7, where he earned his qualification as a Surface Warfare Officer. In 1988, Commander Lipski became an Assistant Professor of Naval Science at Florida A&M University where he instructed Midshipmen in ship systems engineering, weapon systems theory, shipboard operations and navigation. While at Florida A&M, he also earned his Craftmaster qualification and served as the Officer-in-Charge of the Naval Sail Training Vessel *Dolphin*, NSY-29. In December 1989, Commander Lipski was designated a Civil Engineer Corps Officer and served on the staff of the Officer-in-Charge of Construction, Mariana Islands as an Assistant Resident Officer-in-Charge of Construction. After leaving Guam in 1992, he was assigned to Naval Computer and Telecommunications Station, Cutler, ME, as the Public Works Officer and Officer-in-Charge of Naval Facilities and Engineering Command Contracts. After a follow-on assignment to the Naval Postgraduate School, where he earned a Masters degree in Financial Management, Commander Lipski served as the Public Works Officer at the Naval Mobile Construction Battalion Center in Gulfport, MS. While in Gulfport, he superbly managed over \$60 million in military construction projects. He also wrote a Master Plan for Seabee Base Gulfport that led to over \$100 million in quality of life and mission support military construction projects that have greatly improved the operational capability and morale of the Seabees and their families stationed in Gulfport. Prior to joining my staff in January 2001, Commander Lipski served with distinction for two years on the staff of the Chief of Naval Operations ensuring that our sailors and their families had top-notch bachelor quarters and family housing to live in.

Commander Lipski quickly became a valued member of my staff where he led several legislative initiatives that enormously benefitted the Department of Defense, the Navy, and the State of Mississippi. He worked hard to ensure that the Defense authorization and appropriations bills for fiscal year 2002 included legislative provisions and specific programs aimed at modernizing and recapitalizing our military and improving the quality of life of our service members and their families. Specifically, he did a great deal of research and analysis that led to a complete rewrite of the statutes governing the management and oversight of the Armed Forces Retirement Homes. This

new legislation will ensure the financial viability of our Armed Forces Retirement Homes and quality care for the residents well into the 21st century. Commander Lipski also articulated a successful case for adding \$28 million in military construction projects for Mississippi's military bases. Commander Lipski's strong leadership, hard work, and vision led to congressional actions that will ensure our military is properly equipped and trained to meet head-on the challenges it will face in the future.

Commander Lipski is married to the former Jill Daria Wiltzius of Spooner, WI. He is the son of John and Eleanor Lipski of Long Beach, MS. Mike is a registered Professional Engineer in the State of Mississippi, a member of the Navy Acquisition Professional Community, and a member of the Society of American Military Engineers. His many awards and decorations include the Meritorious Service Medal, Navy Commendation Medal, Navy Achievement Medal and numerous other service awards.

Throughout his career, Commander Lipski has served the United States Navy and our Nation with excellence and distinction. He will be sorely missed on Capitol Hill but his return to the Naval Service will benefit Naval Air Station Jacksonville, the Navy's commands in the southeastern United States, and our great Nation. On behalf of my colleagues on both sides of the aisle, I wish Mike and Jill "fair winds and following seas."

#### DR. MARTIN LUTHER KING, JR.

Mr. DURBIN. Madam President, today I rise to pay tribute to a great man, Dr. Martin Luther King, Jr. Dr. King was born on January 15, 1929. As a nation, we have celebrated his life and accomplishments every third Monday in January since 1986. However, in my home State of Illinois, we have been celebrating this great man for almost 30 years, since 1973.

Late in 1955, Montgomery, AL, civil rights activist Rosa Parks refused to obey the city's rules mandating segregation on buses. Five days later, Dr. King was elected by his supporters to be president of the Montgomery Improvement Association. As president, he participated in the bus boycott that eventually led to the Supreme Court declaring Montgomery's segregation laws unconstitutional. As Dr. King gained national prominence he was repeatedly attacked for his beliefs and because of the color of his skin. Sadly, violent acts against Americans of different beliefs, ethnic groups, and hues continue to plague our nation today.

Building on the success of the Montgomery boycott movement, Dr. King and other southern African-American ministers founded the Southern Christian Leadership Conference. With his colleagues, Dr. King promoted the goal of voting rights when he spoke at the Lincoln Memorial during the 1957 Prayer Pilgrimage for Freedom.

Dr. King also guided mass demonstrations in Birmingham, AL, with others in the Student Nonviolent Coordinating Committee. The protests caught headlines around the world, as clashes between protesters and police turned violent. Despite police dogs and fire hoses, Dr. King persevered, leading to the decision by President Kennedy to submit broad civil rights legislation to Congress, and eventually to the Civil Rights Act of 1964.

Despite becoming Time magazine's Man of the Year in 1964, Dr. King continued to face many challenges to his nonviolent tactics. While attempting to assist a garbage workers' strike in Memphis on April 4, 1968, Dr. King was assassinated. The world changed for many on that day. Many thought that Dr. King's message of tolerance, equality, and love for our fellow men and women would die with his death. It did not. Rather, Dr. King's message and legacy continue to spread.

In the wake of the attacks on the World Trade Center and the Pentagon on September 11, many have found it difficult to adhere to Dr. King's message.

As we searched for understanding, many mistook symbols of religious tenets, such as beards and turbans, for symbols of distrust and terror. Arab Americans and Sikh Americans have been harassed, threatened, and assaulted because of the physical and religious similarities they share with the terrorists who took the lives of thousands of Americans four months ago. The passage of a resolution condemning hate crimes against Sikh Americans, which I sponsored and worked to include in the antiterrorism bill, underscores Congress's commitment to prevent any such acts of bigotry and violence.

A Human Rights Watch report revealed that over 1,100 individuals have been detained as part of the Justice Department's terrorism investigation after the September 11 attacks. Scores of detainees are still in custody today, some having been detained for over two months with no explanation to family members or friends. We need to be careful. History has taught us that in times of war, our government has sometimes acted in haste and in error. We can point to incident after incident where the Executive Branch implemented measures that in hindsight went too far and infringed on our civil liberties. Let us make sure that history does not repeat itself as the Justice Department continues its investigation of the terror attacks of September 11.

In celebrating Dr. King's birthday, we continue to learn from his words. I am proud to say our nation is a melting pot of different ethnic groups, and together we form the strongest nation in the world. In his famous "I Have a Dream" speech, Dr. King said, "Let us not wallow in the valley of despair. I say to you today, my friends, that even though we face the difficulties of today

and tomorrow, I still have a dream. It is a dream deeply rooted in the American dream. I have a dream that one day this nation will rise up and live out the meaning of its creed: We hold these truths to be self-evident, that all men are created equal."

Let us not forget the truths Dr. King taught us. We must join together to celebrate his triumphs, and live out his words, that all men and women, having been created equal, will be treated with equal dignity and respect.

Mrs. CARNAHAN. Madam President, earlier this month I had the opportunity to visit our troops in Afghanistan who are on the front lines in the global war to conquer terrorism. I also spoke with new Afghani leaders, who desire a far different future for their people. While visiting with them, I was reminded of a quote from Martin Luther King Jr.'s letter from Birmingham city jail: "Injustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality tied in a single garment of destiny. Whatever affects one directly affects all indirectly."

The life of Dr. King always reminds me of the power of one; the possibility that each of us has for righting wrong, no matter who we are or where we are. When Dr. King began his work, he was not a prominent political figure. He did not have great financial resources at his command. He was a simple Baptist preacher.

He was walking in the footsteps of those who had gone before him. People like Sojourner Truth who embodied the power of one. She was not famous in any way; she was a humble slave woman with a commanding presence and a heart-wrenching story.

There was Harriet Beecher Stowe, writer of "Uncle Tom's Cabin." She was not a social philosopher or a theologian; she was a housewife with seven children.

Rosa Parks was not a revolutionary; she was a woman who was tired after a day's work and wanted to sit down on a bus.

None of these people began with great wealth, fame, or political power. Yet they harnessed the inner strength to challenge traditional thinking and to change the course of our Nation, not with guns and hatred, but with non-violence and love.

This past year we saw the heroism of average working Americans—firefighters, police officers, emergency medical personnel, postal workers and members of the armed forces. We learned again that each of us owes a debt to freedom.

Dr. King reminded us that "the arc of the universe is long, but it ends in justice." For more than 200 years, Americans like Sojourner Truth, Harriet Beecher Stowe, Rosa Parks and Dr. King himself have pushed and prodded our Nation toward greater equality. Now in this century, it is up to us to continue that long journey. We cannot be bystanders to history. We all have some

Martin Luther King in us. His work is now our work, and there is much to be done.

### ECONOMIC STIMULUS

Mr. KYL. Madam President, the Senate has failed to follow the House of Representatives in passing compromise, bipartisan legislation to help stimulate our economy and provide temporary assistance to displaced workers. While the Bush administration and the House compromised, some would say too much, in their effort to act responsibly and find the middle ground, opponents of this legislation were tireless in their efforts to undermine its passage. I applaud the House, the Bush administration, and the Senate Republican leadership, including Senator GRASSLEY, for their effort to provide the Senate with an opportunity to pass an economic stimulus package.

Sadly, the majority leader refused even to allow a simple vote on this legislation. Why? Was it because he knew that this compromise would pass the Senate? If the economy continues to falter, there can be no question where the blame lies.

Voting on the economic stimulus package would have provided an excellent opportunity for members to put aside their partisan objectives, and come together in the best interests of the American people. The economic data are compelling. The terrorist attacks have thrown an already struggling economy into a tailspin, and the dismal economic reports released for the months of October and November, detailing the rise in unemployment and the decline in manufacturing activity, confirmed these worst fears; that we are in the midst of a recession.

As many economists, including Federal Reserve Chairman Alan Greenspan, have correctly noted, this is an "investment" recession, meaning that the slowdown is caused by a contraction of business investment, with resultant job loss and economic dislocation. Yet the majority leader fought against proposals that would have provided incentives for investment, and innovation. He and his supporters incomprehensibly denied the unarguable truism that meaningful economic stimulus emanates from the private sector, from businesses both large and small. An objective observer would likely note that, having already passed legislation that provides for \$40 billion in emergency spending for disaster relief, and \$15 billion in additional spending for an emergency airline package to deal with the temporary shut-down of air travel, it made sense for Congress to balance this spending, and any further spending, with tax relief targeted towards stimulating economic activity in the private sector.

The majority leader argued instead that spending would be more beneficial. But it should already be obvious that the perils of unrestrained spending are real. Congress has already

spent all of the Social Security surplus, and our Federal budget is now in a deficit position. Consequently, additional Federal spending will require the Federal Government to issue new debt in order to finance new spending. This new debt will mean that the government, in addition to maintaining post-World War II record high levels of income tax burdens of Americans, must again borrow from the American public to finance its operations. This renewed Federal borrowing may cause interest rates to rise, which in turn would slow down our economic recovery. In short, Congress must be extremely skeptical about any new spending, especially when it results in deficit spending.

The real point, however, is that we cannot spend our way out of a recession. Everyone agrees that some additional spending is needed to assist the hundreds of thousands of workers both directly, and indirectly affected in the aftermath of September 11. But should the goal be to provide these workers with unemployment checks? Or should it be to provide them with paychecks? Clearly, people would prefer to work, not collect unemployment benefits. And creating jobs starts with spurring investment so that entrepreneurs are able to form and grow businesses, which in turn, will be able to employ workers.

Nearly 2 months ago, President Bush proposed a package that promised to both provide additional spending to support those workers who lost their jobs and, at the same time, enact fundamental tax relief measures to promote investment and ensure that those same workers would be able to find work again in the near future. In the effort to avoid a partisan debate at this critical time, he included several recommendations from the Senate majority in his bipartisan proposal. It was a balanced and responsible combination of tax relief and temporary spending.

Prior to September 11, our economy was beginning to show signs of a possible turnaround. The bipartisan tax relief package passed by Congress, and signed into law by President Bush on June 7 was just starting to make its way through the economy. However, any progress on the road to recovery has all but been lost due to the terrorist attacks. In fact, the general economic situation has worsened substantially. That is why the Senate would have passed the President's proposal.

First, it would have accelerated all of the marginal income-tax rate cuts that became law this summer, but are now delayed until 2004 and 2006. The proposed plan would have them take effect on January 1, 2002, and would have applied to rates at every level of income. Considering that roughly one-third of personal tax filers are actually small businesses, I believe that it is essential that the 40 percent top marginal tax rate come down immediately to 33 percent to help unincorporated small firms retain and create more jobs. Entrepreneurs and the customers they

serve are the life-blood of our economic system. More money in their hands means more money moving through the entire economy.

In an effort to encourage investment, the President's original plan also incorporated a 30 percent depreciation bonus for the purchase of any new capital assets. This would enable companies to get much-needed equipment and other resources that might not otherwise have been affordable.

Furthermore, his original plan included a full repeal of the corporate alternative minimum tax, AMT, a thoroughly regressive, tortuously complicated, and utterly unfair tax that literally imposes a heavier burden on companies when their income falls. On November 6, the Treasury Department released data showing that, in 1998, some 30,226 companies paid higher taxes due to the corporate AMT than they would otherwise have paid. Thus, during an economic downturn like the one we are currently experiencing, as companies are currently seeing their sales and profits dip, their tax burden is actually increased.

The President's original plan advocated a prospective repeal of the corporate AMT, unlike other proposals that are retroactive. Repeal would have immediately freed up monies for investment and employee retention. What's more, elimination of this administrative nightmare would dramatically lessen the tax code's current drag on the economy. It's really quite simple; repeal of the corporate AMT yields immediate short-term relief at a time when the economy needs it most.

Lastly, in a bipartisan effort, the President reached across the aisle and embraced a Democratic proposal that would provide rebates of up to \$300 for workers who filed income-tax returns but did not have an income-tax liability.

Senate Republicans embraced the President's reasonable and responsible approach. We urged the majority leader to quickly act upon his plan and the first economic stimulus package that the House passed.

Personally, I strongly supported the President's plan; however, I believed it could have been strengthened by a couple of key provisions. First, I believe it is absolutely crucial that we make the provisions of the tax law signed on June 7 permanent, especially with respect to repeal of the estate tax. The importance of permanence cannot be understated. It is critical to the financial planning of families and businesses, all of whom must make important decisions based on what they expect will be the tax laws in the future. Assuring taxpayers that the tax relief they now have will still be there 10 years down the line provides a level of economic certainty in these less-than-certain times, helping to bolster consumer confidence and encourage investment.

Second, if we are to prevent thousands of bankruptcies, hundreds of

thousands of lost jobs, and many other indirect consequences to the rest of the economy, we need to specifically help our struggling travel and tourism industry. Accordingly, I introduced legislation that I had hoped would be included in the economic stimulus package. My bill, entitled the Travel America Now Act of 2001, would provide a \$500 tax credit per person, and \$1,000 for a couple filing jointly, for personal expenses for travel originating within the United States. This includes travel by airplane, ship, train, car, and bus, hotel and motel accommodations, and rental cars, but not meals. As first drafted, the credit would have been effective from the date of enactment until December 31, 2001. The most important effect of such legislation is that it would get America moving and doing business again. Millions of small businesses would have benefited.

I believed that the President's plan could be improved by these two proposals, but I supported the President's plan because I wanted to help enact legislation to help our economy get back on track.

Unfortunately, most members of the Senate majority were less interested in compromising. In November, they crafted a partisan bill in the dead of night that was a special interest grab bag of new spending items, enhanced entitlement programs, and expanded bureaucracy. Its meager \$20 billion business investment proposal, and the \$14 billion consumer spending proposal would have done very little to stimulate consumer activity, and even less to stimulate investment.

The bill increased spending and reduced revenues by \$67 billion in fiscal year 2002, and \$53 billion through 2011. However, two items made the real cost much more expensive than the advertised price tag might have suggested. First, the majority leader insisted on amending this partisan bill with an additional \$15 billion of new spending, which would have included a veritable collage of new projects, from tunnels for Amtrak, ferries for New Jersey and New York, agriculture research, to highway repairs. Second, the unemployment provisions contained in this partisan bill included some \$19 billion in accelerated Reed Act payments. The result: taxpayers would have seen a significant increase in their tax burden, approximately \$14 billion, over the next 10 years.

The bill was rammed through the Finance Committee on a strict, partisan vote. When it became clear that this partisan legislation could not pass on the Senate floor, the majority leader chose to stop the consideration of an economic stimulus package and move to low-priority legislation. The House had acted, as had the President, but in the Senate, the majority leader continued to block consideration of an economic stimulus package.

He brought up a big spending railroad retirement bill and then a pork-laden farm bill, both of which could have

waited until next year. For several weeks, the Bush administration, the majority in the House, and the minority in the Senate negotiated with the majority leader's deputies in an effort to craft a bill he would be willing to bring to the Senate floor for a vote. These deputies erected various roadblocks to disrupt these negotiations. Then the majority leader, himself, unilaterally raised the bar to agreement by insisting on a compromise package that would be acceptable to two-thirds of the Democrats in the Senate. Despite these deliberately constructed obstructions to compromise, advocates of an economic stimulus package continued to work hard to construct a compromise that would be acceptable to a majority of the House and Senate.

The administration made significant compromises, especially related to greatly expanded health insurance benefits to the recently unemployed through an individual tax credit for health insurance. The majority leader once again raised the bar and insisted that these benefits be provided to employers for the benefit of all workers who are unemployed. Under his proposal, even those workers who chose to retire early would be entitled to this new expansive health care program. Additionally, he refused to empower these displaced workers with individual tax credits, but insisted on burdening businesses with a new government mandate.

With three days left until the holiday weekend, the administration, the House, and a majority in the Senate agreed on a bipartisan compromise on economic stimulus and aid to dislocated workers. The House then passed this legislation. Despite the fact that a majority in the Senate was committed to voting for it, the majority leader still refused to allow this compromise legislation to come to the Senate floor. So the 2001 session ended without Senate action on the most important issue facing the country.

Contained within this legislation is \$60 billion of investment stimulus—just the sort of assistance that Chairman Greenspan had urged us to enact. Under the bipartisan stimulus package, the current 27 percent rate would drop to 25 percent in 2002. This provision accelerates the bipartisan decision the Senate made last summer to reduce individual tax rates. Under last summer's tax cut bill, the 27 percent rate would have fallen to 26 percent in 2004 and 25 percent in 2006. This cut benefits married couples with taxable income between \$45,200 and \$109,250; singles with taxable income between \$27,050 and \$65,550; heads of household with taxable income between \$36,250 and \$93,650. Acceleration of the 27 percent rate reduction would yield \$17.9 billion of tax relief in 2002 for over 36 million taxpayers, or one-third of all income taxpayers.

The bipartisan stimulus package provides 30 percent bonus depreciation for three years. Property eligible for the 30

percent bonus depreciation includes property depreciated over 20 years or less, water utility property, computer software, etc. Property which takes longer than three years to construct will qualify for bonus depreciation on a pro-rata basis, if the property is placed in service before 2007. The portion eligible for bonus depreciation would be the costs incurred within the three-year bonus depreciation window. This provision would encourage accelerating long-term construction activity into the next three years.

Additional investment stimulus included in this legislation is an extension of net operating loss carrybacks for two years, corporate alternative minimum tax relief, and an increase of the small business expensing amount to \$35,000. All of which would help stimulate economic activity in our country.

The House-passed bipartisan stimulus package would also provide checks to low-income Americans in order to stimulate consumer spending. The legislation also would extend popular expiring tax provisions, provide targeted incentives to help with the New York City reconstruction, and exempt the victims of terrorist attacks from federal taxes. Finally, the bill would provide nearly \$20 billion of aid to dislocated workers in the form of greatly expanded unemployment payments and health benefits.

This proposal was a compromise. It is not the legislation that I would have written. But this legislation was a carefully crafted bipartisan, bicameral compromise that the President would have signed. It passed the House. It had the support of a majority of the Senate. But it died because the majority leader was unwilling to let the majority act.

So the economy will not be helped. Unemployed workers will not be helped. Small businesses will not be helped. Taxpayers will not be helped. Workers hoping to save their jobs will not be helped. All because of one man. Remember that next year.

#### THE AMERICAN SMALL BUSINESS EMERGENCY RELIEF AND RECOVERY ACT OF 2001

Mr. KERRY. Madam President, I rise today to speak on the behalf of thousands of small business owners across this country who are still struggling to keep their businesses open in the aftermath of the terrorist attacks. They're having a tremendously tough time paying their bills and making payroll, and they need access to affordable loans so that they have sufficient working capital as they adjust to the market or until business returns to normal.

Senator BOND and I put forth a comprehensive bill in the last session, shortly after terrorist attacks, that addressed not only disaster assistance and the worsening credit crunch that has compounded the financial problems of small businesses, but also the need

for business counseling and protection in recovering lost revenue from frozen federal contracting jobs. I am talking specifically about S. 1499, the American Small Business Emergency Relief and Recovery Act of 2001.

For the sake of small business owners and their employees, I wish I could say that I was here to speak about implementation of this legislation. But I cannot. S. 1499, was blocked by the Administration and a few Republican Senators. So here I am, at the beginning of another session, a new year, and four months after the bill was introduced, talking about the Senate acting on emergency legislation as small businesses wait for us to do something to help them. I really do not know how anyone in this body could stand to go home after Congress adjourned and explain to their constituents how we could provide billions in loans and grants to airlines, but we could not provide a modicum of that assistance to small businesses.

Republicans holding the bill in the Senate tell me and the press that they blocked the bill and still have holds on the bill because the Administration has problems with it. The Administration says they have problems with the bill because they do not believe there is a credit crunch making it harder and more expensive for small businesses to get loans. They do not believe we need to provide incentives to stimulate borrowing or to encourage banks to make loans to small businesses.

How can there be no credit crunch when survey results by the Federal Reserve reveal that as many as 51 percent of banks have reduced lending to small businesses? How can there be no credit crunch when established giants like the airlines could not get loans in the post-September 11th economy?

Please tell me how the Administration's priority is an economic stimulus package, but the Administration wants us to drop the stimulus provisions in S. 1499? What better way to stimulate the economy than through business investment and job creation? What is homeland security without economic security? They want us to drop the protection for small businesses doing business with the Federal Government. And they want us to drop incentives making the Small Business Administration's loans more affordable for borrowers and lenders.

Senator BOND and I asked them to meet us halfway, and they said no. We asked them to give us alternative language, and they didn't give us any. We spent more than 20 hours negotiating on this bill and it appears as if the Administration never had any intention of finding common ground. It appears as if it was an exercise in delay.

Let me describe briefly where I disagree with the Administration about how to help small businesses battling bankruptcy and employee layoffs triggered by the terrorist attacks and economic downturn. The Administration believes that all assistance should be



delivered through the SBA's disaster loans, which are administered through only four regional offices. From talking to small businesses and SBA lenders, Senator BOND and I have concluded that small businesses would be better served through a combination of disaster loans and government guaranteed loans. Government guaranteed loans are almost five times cheaper than what the Administration has proposed, have less risk for the taxpayer, and can reach more small business owners because they are delivered through more than 5,000 private sector lenders who know their communities and have experience making SBA guaranteed loans. Our proposal combines public and private sector approaches to ensure small businesses nationwide receive the maximum amount of assistance.

The economy was fizzling before September 11th, and small businesses were already feeling the pain. To stay financially healthy, they were doing their part by cutting back on spending, investing and hiring, and the Federal Reserve was cutting interest rates in an attempt to keep inflation in check. After September 11th, small business owners across this country put on black arm bands. The plug was pulled on their business. It didn't matter what state they were in; they weren't immune to the ripple effect of grounded transportation, closed financial markets, a volatile economy, and lay-offs announced by the tens of thousands. Let's start this session off right by passing S. 1499. Let's demonstrate that we understand the significance of small businesses to the American economy and that we will help them like we have helped other industries.

#### LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Enhancement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred November 21, 1995 in West Hollywood, CA. A male transvestite was beaten by several men yelling anti-gay epithets. The assailants, Agaron Guylbkryan, 21, Harutun Pagaryan, 18, and Vahagn Arutyunyan, 19, were charged with civil rights violations in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

#### DEFENSE APPROPRIATIONS BILL

Mr. KYL. Madam President. I rise today to give my qualified support to the Defense Appropriations bill. I voted for this bill because the men and women who are, at this very moment, defending our honor and protecting our freedoms from the most horrific assault ever perpetrated against this Nation need critical items funded in the bill. I qualify that support because there are numerous programs and pork projects that will not support the critical needs of our soldiers, sailors, airmen, and Marines.

Even worse, there are projects that I believe are necessary to our national defense which have been severely under-cut to meet the top line numbers while these less than mandatory projects have been added and given millions, if not billions, of dollars. I agree with my colleague from Arizona that, once again, the Appropriations Committee has run roughshod over the legislative process, circumventing the authorization process and the will of the Senate at the last minute of the last day of the session.

Obviously, we must fund our current military campaign and our other defense needs; so I will support this bill to provide necessary funding. I only hope we will be able to make more efficient and effective use of taxpayer dollars for our national security needs in the future.

#### PRINTING OF S.J. RES. 30

Mr. SPECTER. Madam President, I ask unanimous consent that the text of S.J. Res. 30, a joint resolution I introduced on December 20, 2001, be printed in today's RECORD. I further ask consent that in the permanent edition of the RECORD, the text of the resolution instead appear following the statement I issued on December 20, 2001.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

#### S. J. RES. 30

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within 7 years after the date of its submission by the Congress:*

#### "ARTICLE—

"SECTION 1. If at any time 50 percent or more of the Members of the House of Representatives are unable to carry out their duties because of death or incapacity, each Governor of a State represented by a Member who has died or become incapacitated shall appoint a qualified individual to take the place of the Member as soon as practicable, but no later than 7 days, after the Member's death or incapacity has been certified.

An individual appointed to take the place of a Member of the House of Representatives under this section shall be a member of the same political party as the Member of the

House of Representatives who is being replaced.

"SECTION 2. An individual appointed to take the place of a Member of the House of Representatives under section 1 shall serve until an individual is elected to fill the vacancy resulting from the former Member's death or incapacity.

A Member shall be elected to fill the vacancy in a special election to be held at any time during the 90-day period which begins on the date the individual is appointed under section 1, in accordance with the applicable election laws of the State involved. However, if a regularly scheduled general election for the office will be held during such 90-day period, or 30 days thereafter, no special election shall be held and the Member elected in such regularly scheduled general election shall fill the vacancy upon election.

An individual appointed under section 1 may be a candidate in such a special election or in such a regularly scheduled general election.

"SECTION 3. During the period of an individual's appointment under section 1, the individual shall have all the powers and duties of a Member of the House of Representatives.

"SECTION 4. Congress shall have the power to enforce this article by appropriate legislation."

#### ADDITIONAL STATEMENTS

#### TRIBUTE TO CHIP NOBLE

• Mr. DEWINE. Mr. President, today I recognize the great achievements of Sam "Chip" Noble III. Chip is a third generation harness racer, one of the most successful the sport has ever seen. A native resident of Xenia, OH, Chip Noble has raced to 3,293 victories and three North American Driving Championships.

Chip learned how to race through the tutelage of his father, getting his start at the Lebanon Raceway. In a normal year, Chip drives in about 500 to 1,000 races. The percentage crown winner in 1978, 1981, and 1983, Chip has earned over \$17.6 million for the owners of the horses he drives.

This past summer, Chip Noble competed in the World Driving Championships as the representative of the United States. He was one of ten drivers world-wide who competed in this prestigious event, which is believed to be the world's oldest international harness racing tournament. Proudly displaying the colors of our country, Chip drove to four heat victories, the most individual victories amassed during the competition, and finished fourth overall.

I congratulate Chip Noble on his tremendous performance in the World Driving Championship and for his wonderful career in harness racing. He is a true ambassador of the sport, and I wish him the best of luck in the future.●

#### TRIBUTE TO RANDIE BLAETH AND ADRIENNE THOMAS

• Mr. TORRICELLI. Mr. President, I rise today to recognize Ms. Randie Blaeth and Ms. Adrienne Thomas for



their 25 years of service to the Glen Ridge School System.

For the past 25 years, these outstanding educators have taught many grade levels and a countless number of students have benefitted from their instruction. As members of the Glen Ridge community, Ms. Blauth and Ms. Thomas have demonstrated an extraordinarily high level of commitment and selflessness to which we should all strive to achieve.

However, the impact of their service reaches far beyond the classroom. Both Ms. Blauth and Ms. Thomas have dedicated themselves to creating a supportive and productive environment for the youth of Glen Ridge. They have helped to shape the minds and encourage the spirit of these young individuals during a crucial stage of development in their lives.

Ms. Blauth's and Ms. Thomas' accomplishments, throughout their years of service, reflect only a small portion of the many contributions they have made to the people of Glen Ridge. Their efforts have touched the lives of their students as well as those throughout their community.

They are an example of the professionalism that we look for in our educators, and the type of citizens that we hope to find in our neighborhoods, which is why their dedication is to be recognized and commended.●

#### TRIBUTE TO COLONEL BENJAMIN L. CASSIDY, USMC

● Mr. WARNER. Mr. President, today I recognize Colonel Benjamin L. Cassidy, United States Marine Corps, on the occasion of his retirement from active duty. During his twenty-eight years with the Corps, Colonel Cassidy served our nation with distinction and aplomb.

After having graduated from Brown University in 1975, Colonel Cassidy was commissioned aboard the U.S.S. Constitution in Boston Harbor. Upon completion of The Basic School in 1975, he was transferred to Camp Lejeune, NC where he served as the Battalion Logistics Officer, Executive Officer, and Platoon Commander, 2nd Battalion, 2nd Marines, 2nd Marine Division.

In 1978, Colonel Cassidy was assigned to 3rd Reconnaissance Battalion, 3rd Marine Division in Okinawa, Japan where he served as Company Commander and Platoon Commander. He was transferred to Fort Benning, GA in 1980 where he attended the Infantry Officers Advanced Course. Upon graduation, he accepted orders to Recruiting Station, Hartford, CT and served as the Recruiting Station Executive Officer from 1981 to 1984.

From 1984 to 1987, he served with the 1st Battalion, 8th Marine Regiment, 2nd Marine Division, Camp Lejeune, NC as the Battalion Operations Officer and Company Commander. In 1987, he attended the Marine Corps Command and Staff College at Quantico, VA and was later assigned as an Instructor.

From 1989 to 1991, Colonel Cassidy served as the Marine Corps' Exchange Officer to the Brazilian Marine Corps, Rio De Janeiro, Brazil. From 1991 through 1993, he served with the Bureau of International Narcotics Matters, U.S. Department of State, Washington, D.C. During this time, he also earned a Masters in National Security Studies at Georgetown University.

He next served as Battalion Inspector-Instructor and Marine Corps Advisor, 4th Reconnaissance Battalion, 4th Marine Division, San Antonio, TX. In 1995, he served as Marine Corps Liaison and student at the Chilean Naval War College, Valparaiso, Chile.

Many of you know Ben personally, as he has served for almost 4 years as the Director of the Marine Corps' Senate Liaison Office. During Colonel Cassidy's tenure here at the United States Senate, he planned and led numerous congressional delegations on fact-finding trips around the world. He coordinated these delegations flawlessly and with meticulous attention to detail. In addition, he has overseen the resolution of hundreds of congressional inquiries that have been submitted to the Marine Corps for clarification and assistance. Colonel Cassidy has also worked to ensure that members of the Senate have a better understanding of the requirements and capabilities of the Navy/Marine Corps Team.

We in the Senate have benefitted from Colonel Cassidy's dedication, sense of duty and outstanding work ethic, and I have made certain that we continue to benefit by hiring him as my Defense and Foreign Affairs Legislative Assistant. I wish Colonel Cassidy, his wonderful wife Kathleen, and their children Alanna, Ben, and Caroline, fair winds and following seas as he begins this new chapter of his life.●

#### TRIBUTE TO MAJOR GENERAL JOHN D. HAVENS

● Mrs. CARNAHAN. Mr. President, I am honored today to pay tribute to the outgoing Adjutant General of the Missouri National Guard, Major General John D. Havens.

Governor Carnahan appointed him to this post on March 6, 1997. For the next 4 years, General Havens was responsible for leading 10,000 Missouri Army and Air National Guard personnel as well as the State Emergency Management Agency and Civil Air Patrol.

Under his stewardship, the State's Guard was always ready for action; ready to respond to disasters both in Missouri and elsewhere when duty called. In addition, the Missouri Guard was ready to aid in our country's national defense. General Havens has been in command of our Missouri Guard men and women as they performed missions in defense of freedom throughout the world. His troops have graced the sky or put boots on the ground of 18 States and 26 countries.

General Havens created several ground-breaking programs as well. He

was instrumental in establishing Missouri's Show-Me Challenge Program for our State's youth. His Guardsmen created an educational program that instilled discipline and motivation in teenagers who had dropped out of school. To this day, the valuable program continues to enhance the responsibility and self-esteem of Missouri's "at-risk" youth.

General Havens fostered a culture of success by growing an organization that emphasizes skill, talent, and dedication, and values diversity. This philosophy enabled him to improve recruitment in both rural and urban areas, as demonstrated by our impressive retention rates under General Havens' administration. Missourians are proud to be associated with our Guard. For his action, the NAACP presented the General with its prestigious 2001 Roy Wilkins Renown Service Award honoring his concern for the diversity, health, strength, comfort and accomplishments of the Guard's men and women.

Throughout his military career, General Havens earned several other awards, including the Legion of Merit, the Meritorious Service Medal, the Army Commendation Medal, the Armed Forces Reserve Medal, the Army Reserve Component Achievement Medal, and the National Defense Service Medal.

But more important than any of these awards, was the honor and respect he enjoys from the men and women who served under him. General Havens is truly a people's general, and he will be missed.

In the past, I had the opportunity to work with Guard members first hand as they helped Missourians cope with natural disasters. I saw the deep commitment and compassion General Havens had instilled in them. I will also never forget the tremendous kindness shown by General Havens and members of the Guard during my husband's funeral.

General Havens' career reflects the ideal of service represented by General George Washington when he said, "When we assumed the Soldier, we did not lay aside the Citizen." Throughout his career of service to our State and to this Nation, he truly epitomized the concept of Citizen Soldier.

General Havens has served our Nation and our State honorably. I wish him all the best in retirement. He will be remembered as a patriot, a leader, a Missourian, an American, and a friend.●

#### TRIBUTE TO THE CITY OF AKRON

● Mr. DEWINE. Mr. President, today I pay tribute to the citizens of Akron, OH, for their selfless actions following the September 11 terrorist attacks. Specifically, the Akron Beacon Journal, the City's largest daily newspaper, launched a campaign to collect donations to purchase a fire truck for New York City.

As we all know too well, on September 11, terrorists attacked our great Nation in a way many of us thought unimaginable. While these acts were, indeed, horrific, instead of leaving us frozen and helpless, so many Americans have banded together and acted in ways that exemplify why this country of ours is so great. The citizens of Akron are a perfect example of this.

After deliberating about what could be done to help the people of New York City, the executives of the Akron Beacon Journal came up with an answer: a fund to purchase a new fire truck for the city of New York.

On September 16, the Akron Beacon Journal opened the fund with a donation of \$25,000 and then asked the citizens of Akron to donate, as well. The people of Akron answered this call, and responded in a resounding way. Immediately, money began pouring in for the fund.

A month later, over \$1.3 million had been raised with donations from almost 50,000 individuals and companies and organizations. With this money, the City of Akron was able to purchase a 95-foot ladder fire truck, as well as two EMS vehicles and three police cars.

I am proud of the people of Akron. And, I thank them for their extraordinary gift. This donated equipment has done more than just help New York City rebuild some of what was lost. It has reminded us all of the amazing things we can accomplish when we pull together. Their gift was one from the heart and I thank each and every one who helped make this possible.●

#### HONORING DR. MOISES SIMPSE

● Mr. GRAHAM. Mr. President, today I pay tribute to a fine humanitarian and Floridian, Dr. Moises Simpser. Throughout his career as a pediatric pulmonologist, Dr. Simpser has worked for the well-being of all sick children; particularly those that are technology dependent and otherwise referred to as "fragile children." Dr. Simpser's goal has been an admirable one—to achieve the best medical care for all children of all economic strata and backgrounds.

Since his arrival in Florida in 1984, Dr. Simpser has been an unyielding advocate for the young patient. As Dr. Simpser's patients are technology dependent, they were only cared for in Intensive Care Units of hospitals, where they became virtual prisoners in the unit. He fought diligently for the State of Florida to cover the cost of homecare for a ventilator dependent child. Through this program, even the youngest of children on ventilators were sent home for care in their familiar and familial environments. However, even at home, the children increasingly became isolated within their own four walls. To help free these children, Dr. Simpser developed and founded the first Ventilator Assisted Children's Center Camp or VACC Camp.

VACC Camp is a place where both families and technology dependent children can be in an environment that allows these fragile children to do everyday activities that were once unavailable to them. These include activities such as swimming, boating, sailing, visiting malls, and many others. These children, always ventilator dependent and usually wheelchair bound and afflicted with additional diseases, are able to enjoy the wonders of Florida's nature and outdoors at no cost to their families.

VACC Camp has allowed both abled and disabled children to come together for a life broadening experience by providing an incentive for abled children to participate. Dr. Simpser has worked with Florida's Miami-Dade County school system to create a 100 percent volunteer staff, with the school board furnishing high school students with service credits for their volunteer efforts. This remarkable camp, now in its 16th year, earned Dr. Simpser the prestigious 1998 Governors Community Service Award from the College of Chest Physicians.

In addition to his development of VACC Camp, Dr. Simpser has established a pediatric asthma center for underprivileged children. He received a combined grant which allowed him to demonstrate that providing quality medical care to this population can reduce emergency room visits and hospitalizations in these children by 70 percent.

He has also established a Cystic Fibrosis Center in South Florida, the first such center to be associated with the National Cystic Fibrosis Foundation. The Cystic Fibrosis Foundation honored him as the recipient of the first Lucent Technologies Humanitarian of the Year Award.

Dr. Simpser's altruism and dedication to quality health care for children regardless of race, gender, and economic status are a positive statement for doctors across America. Dr. Simpser has been honored and should be admired for the good he does every day, for his persistence in always improving the delivery of quality healthcare, and for his vision to meet the needs of severely debilitated children. I am indeed proud to acknowledge the work of Dr. Moises Simpser.●

#### TRIBUTE TO LOU "THE TOE" GROZA AND ERIC TURNER

● Mr. DEWINE. Mr. President, today I honor two titans of the gridiron—Lou "The Toe" Groza and Eric Turner. These men both played football for the Cleveland Browns. And, sadly, both have passed away, leaving enormous voids not only in the lives of their families and friends, but also in the hearts of the millions of fans who admired them.

I'd like to spend a few minutes telling my colleagues about these two men. Both on and off the field, Lou Groza was a model sportsman and cit-

izen. In the 1940s, Lou Groza had no time for football because he was serving his country as a medic in Okinawa. Upon his return from the war, Groza joined Paul Brown's Cleveland team and capped the 1950 season with a NFL championship field goal against the Los Angeles Rams. That championship was the first of 12 in which Groza would compete. Throughout his 21-year career, the longest serving Brown player, Groza was selected for the Pro-Bowl nine different times.

During his football career, he totaled an incredible 1,608 points, appeared in 13 pro-football championship games, was a six-time All-NFL offensive tackle, and was the last member of the Browns inaugural team to retire. Groza's outstanding service to the Browns, and to football, was rewarded in 1974 with his induction into the Hall of Fame.

Lou Groza, who dearly loved his hometown of Berea, OH, and the Browns, was a man who really seemed larger than life. He was nothing sort of a sports legend. When Lou retired in 1967, it marked not only the end of his football career, but the end of a glorious era in Browns history.

Lou Groza's football achievements speak for themselves, but it was what Groza did off the field that fellow Clevelanders remember him for most. After retiring from the Browns, Groza became a partner in a successful insurance company. He was constantly giving back to the Cleveland community through charitable organizations, such as the "Taste of the NFL," which has raised millions for the hungry. Groza always had the time to sign an autograph and often was overheard saying: "I'm no better than the fans who rooted for me all those years."

In speaking of a man who cared so much of his community and his team, we should not forget another Brown star recently passed away. That man is Eric Turner. He was a safety, who was drafted second overall, the first defensive player to be picked that high since 1956. Although he only played a few years in Cleveland before the team was moved to Baltimore, Eric made it known that his heart would never leave the Browns of their wonderful fans. Eric was an active participant in the United Way, a devoted father, and a mentor to his teammates. His warm personality and generosity are truly missed.

Lou Groza and Eric Turner had a love for football and for those around them. They gave to their team, to their families, and to their communities. I think it is only fitting that we give a little back to them by honoring them today and by keeping them and their families in our prayers.

I feel honored today to stand before this body and pay my respects to these two fine men. They both displayed courage on the playing field, as well as in their own personal battles. Each man fought their failing health. Each man fought the good fight.

Tennis great, Arthur Ashe, whose own life ended all too soon, once said something that I think helps describe the kind of people, the kinds of heroes, that Lou Groza and Eric Turner were when they were alive and how they will be remembered in their deaths. Ashe said:

True heroism is remarkably sober, very undramatic. It is not the urge to surpass all others at whatever cost, but the urge to serve others at whatever cost.

Today, we honor them as for their virtue and their strength of character. We honor them as true victors.●

#### TRIBUTE TO NICHOLAS E. FINZER

● Mrs. LINCOLN. Mr. President, today I pay tribute to Mr. Nicholas Finzer, an Arkansas native who this month will end a long career in public service as an employee of the U.S. Forest Service.

A 1963 graduate of the University of Arkansas, Nick joined the Forest Service in Montana before leaving to serve his country in Vietnam. Nick later returned to the Forest Service, working in forest and timber management and as a forest ranger in Idaho, Montana, Arkansas, North Carolina, and Texas, before returning to Arkansas for good in 1984.

That is when Nick began his tenure as Lands and Minerals Staff Officer on the Ouachita National Forest. One of his top priorities in this position was acquiring new lands in order to accommodate the public's interest to expand the forest. In nearly two decades service in the Ouachita National Forest, Nick always took a pro-active approach to acquiring new lands for the Forest Service, either through exchanges or purchases.

In 1996, Nick oversaw the exchange of over 180,000 acres from Weyerhaeuser Company for nearly 48,000 acres of government property. This transaction took in land over two States, Arkansas and Oklahoma, and required Congressional legislation to complete. At the time, it was the largest land exchange in the history of the Forest Service. Nick's colleagues attribute the success of this massive exchange to his wisdom, expertise, and perseverance.

Nick also spearheaded efforts to develop new programs in the Forest Service. He recognized the potential of the Ouachita Mountains as a part of the Forest Service's geological program. Some people may not realize it, but the Ouachita Mountains are home to a series of world-class quartz crystal deposits, many of which are located in the Ouachita National Forest. These deposits have attracted both commercial activity, mineral collectors, and tourists, and Nick should be saluted for recognizing the possibilities of these minerals. Years ago, he sat down with my predecessor, Senator Dale Bumpers, and convinced him of the significance of mineral resources in our Nation's forests, particularly the importance of managing these resources. With Nick's help, Senator Bumpers focused on a

number of important land and mineral issues that were important to the Ouachita National Forest, to the benefit of all Arkansans.

Nick Finzer's farsighted approach to forest management has brought great benefits to Arkansas and to the United States. His efforts have helped to preserve and improve the Ouachita National Forest for us and our children. For that and many other accomplishments, we owe Nick a tremendous debt of gratitude, and I am honored to pay tribute to him.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO THE RISK OF NUCLEAR PROLIFERATION CREATED BY THE ACCUMULATION OF WEAPONS-USABLE FISSIONABLE MATERIAL IN THE TERRITORY OF THE RUSSIAN FEDERATION—MESSAGE FROM THE PRESIDENT—PM 63

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

#### *To the Congress of the United States:*

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissionable material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000.

GEORGE W. BUSH.

THE WHITE HOUSE, January 23, 2002.

#### MESSAGES FROM THE HOUSE

##### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on December 21, 2001, during the recess of the Senate,

received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 1. An act to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

H.R. 2873. An act to extend and amend the program entitled Promoting Safe and Stable Families under title IV-B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV-E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

H.J. Res. 79. A joint resolution making further continuing appropriations for the fiscal year 2002, and for other purposes.

H.J. Res. 80. A joint resolution appointing the day for the convening of the second session of the One Hundred Seventh Congress.

Under the authority of the order of the Senate of January 3, 2001, the enrolled bills and joint resolutions were signed by the President pro tempore (Mr. BYRD) on December 21, 2001.

##### ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on January 3, 2002, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

H.R. 1088. An act to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

H.R. 2277. An act to provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors.

H.R. 2278. An act to provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States.

H.R. 2336. An act to extend for 4 years, through December 31, 2005, the authority to redact financial disclosure statements of judicial employees and judicial officers.

H.R. 2506. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2751. An act to authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public.

H.R. 2869. An act to provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such Act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

H.R. 2884. An act to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes.

H.R. 3030. An act to extend the basic pilot program for employment eligibility verification, and for other purposes.

H.R. 3061. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related

agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3248. An act to designate the facility of the United States Postal Service located at 65 North Main Street in Cranbury, New Jersey, as the "Todd Beamer Post Office Building."

H.R. 3334. An act to designate the Richard J. Guadagno Headquarters and Visitors Center at Humboldt Bay National Wildlife Refuge, California.

H.R. 3338. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3346. An act to amend the Internal Revenue Code of 1986 to simplify the reporting requirements relating to higher education tuition and related expenses.

H.R. 3348. An act to designate the National Foreign Affairs Training Center as the George P. Shultz National Foreign Affairs Training Center.

H.R. 3392. An act to name the national cemetery in Saratoga, New York, as the Gerald B.H. Solomon Saratoga National Cemetery, and for other purposes.

H.R. 3447. An act to amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

S. 1202. An act to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

S. 1714. An act to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building.

S. 1741. An act to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Prevention and Treatment Act of 2000.

S. 1789. An act to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

S. 1793. An act to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001.

Under the authority of the order of the Senate of January 3, 2001, the enrolled bills were signed by the President pro tempore (Mr. BYRD) on January 3, 2002.

At 2:49 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following resolution:

H. Res. 332. A resolution informing the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The message also announced that the House has passed the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 299. Concurrent resolution providing for a joint session of Congress to

receive a message from the President on the state of the Union.

The message further announced that the House has agreed to the amendment of the Senate to the amendment of the House to the amendments of the Senate to the bill (H.R. 2884) to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States on September 11, 2001.

The message also announced that the House has agreed to the amendments of the Senate to the bill (H.R. 2336) to make permanent the authority to redact financial disclosure statements of judicial employees and judicial officers.

The message further announced that the House has agreed to the amendment of the Senate to the bill (H.R. 700) to reauthorize the Asian Elephant Conservation Act of 1997.

#### MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 400. An act to authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

H.R. 1432. An act to designate the facility of the United States Postal Service located at 3698 Inner Perimeter Road in Valdosta, Georgia, as the "Major Lyn McIntosh Post Office Building."

H.R. 2362. An act to establish the Benjamin Franklin Tercentenary Commission.

H.R. 2742. An act to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma.

H.R. 3343. An act to amend title X of the Energy Policy Act of 1992, and for other purposes.

H.R. 3441. An act to amend title 49, United States Code, to realign the policy responsibility in the Department of Transportation, and for other purposes.

H.R. 3487. An act to amend the Public Health Service Act with respect to health professions programs regarding the field of nursing.

H.R. 3504. An act to amend the Public Health Service Act with respect to qualified organ procurement organizations.

H.R. 3529. An act to provide tax incentives for economic recovery and assistance to displaced workers.

#### ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on January 3, 2002, she had presented to the President of the United States the following enrolled bills:

S. 1202. An act to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

S. 1714. An act to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building.

S. 1741. An act to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health service provided under a medical care program of the Indian Health Service or of a tribal organization are in-

cluded in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Prevention and Treatment Act of 2000.

S. 1789. An act to amend the Federal Food, Drug and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

S. 1793. An act to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-4986. A communication from the Director of the Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Adjustment of Certain Fees of the Immigration Examinations Fee Account" (RIN1115-AF61) received on December 20, 2001; to the Committee on the Judiciary.

EC-4987. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Passenger and Crew Manifests Required for Passenger Flights in Foreign Air Transportation to the United States" (RIN1515-AC99) received on January 4, 2002; to the Committee on Finance.

EC-4988. A communication from the Assistant Attorney General, Civil Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "September 11th Victim Compensation Fund of 2001" (RIN1105-AA79) received on January 4, 2002; to the Committee on the Judiciary.

EC-4989. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC-4990. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on proposed obligations for weapons destruction and non-proliferation in the former Soviet Union; to the Committee on Armed Services.

EC-4991. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the delay of the annual report on the current and future military power of the People's Republic of China; to the Committee on Armed Services.

EC-4992. A communication from the Secretary of the Air Force, transmitting, pursuant to law, a report relative to a Program Acquisition Unit Cost breach; to the Committee on Armed Services.

EC-4993. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report concerning a cost comparison to reduce the cost of Personnel Services function; to the Committee on Armed Services.

EC-4994. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report concerning a cost comparison to reduce the cost of the Communication function; to the Committee on Armed Services.

EC-4995. A communication from the General Counsel, Office of Management and

Budget, Executive Office of the President, transmitting, pursuant to law, the report of a vacancy and a nomination for the position of Deputy Director, Office of Management and Budget, received on January 4, 2002; to the Committee on Governmental Affairs.

EC-4996. A communication from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "Privacy Act" (RIN3095-AA99) received on January 4, 2002; to the Committee on Governmental Affairs.

EC-4997. A communication from the General Counsel of the General Accounting Office, transmitting, pursuant to law, a report relative to a bid of protest in 2000; to the Committee on Governmental Affairs.

EC-4998. A communication from the Assistant Secretary for Administration, Department of Transportation, transmitting, pursuant to law, a report of the inventories of commercial positions in the Department of Transportation; to the Committee on Governmental Affairs.

EC-4999. A communication from the Director of the Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Filipino Veterans' Benefits Improvements" (RIN2900-AK65) received on January 9, 2001; to the Committee on Veterans' Affairs.

EC-5000. A communication from the Director of the Office of Regulations Management, Veterans Health Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Per Diem for Adult Day Health Care of Veterans in State Homes" (RIN2900-AJ74) received on January 9, 2002; to the Committee on Veterans' Affairs.

EC-5001. A communication from the Acting General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Electronic Filing of FERC Form 423" (RM00-1-000) received on January 4, 2002; to the Committee on Energy and Natural Resources.

EC-5002. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Energy Conservation Program for Consumer Products: Test Procedures for Dishwashers" (RIN1904-AB04) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC-5003. A communication from the Assistant General Counsel for Regulatory Law, Office of Inspector General, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Cooperation with the Office of Inspector General" (DOE 221.2) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC-5004. A communication from the Assistant General Counsel for Regulatory Law, Office of Environmental Management, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Transition Implementation Guide" (DOE G 430.1-5) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC-5005. A communication from the Assistant General Counsel for Regulatory Law, Office of Departmental Representative, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Interface with the Defense Nuclear Facilities Safety Board" (DOE M 140.1-1B) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC-5006. A communication from the Assistant General Counsel for Regulatory Law, Office of Inspector General, Department of Energy, transmitting, pursuant to law, the re-

port of a rule entitled "Reporting Fraud, Waste and Abuse to the Office of Inspector General" (DOE O 221.1) received on January 11, 2001; to the Committee on Energy and Natural Resources.

EC-5007. A communication from the President of the United States, transmitting, pursuant to law, a Periodic Report on the National Emergency with Respect to the Taliban in Afghanistan; to the Committee on Banking, Housing, and Urban Affairs.

EC-5008. A communication from the President of the United States, transmitting, pursuant to law, a Periodic Report on the National Emergency with Respect to the Western Balkans; to the Committee on Banking, Housing, and Urban Affairs.

EC-5009. A communication from the President of the United States, transmitting, a report relative to the continuation of the Libya Emergency beyond January 7, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5010. A communication from the President of the United States, transmitting, pursuant to law, a Periodic Report on the National Emergency with Respect to Libya; to the Committee on Banking, Housing, and Urban Affairs.

EC-5011. A communication from the Director of the Financial Crimes Enforcement Network, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Amendment to the Bank Secrecy Act Regulations—Requirement the Non-financial Trades or Businesses Report Certain Currency Transactions" (RIN1506-AA25) received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5012. A communication from the Assistant to the Federal Reserve Board, transmitting, pursuant to law, the report of a rule entitled "Home Mortgage Disclosure (Regulation C): Annual Adjustment to Asset-Size Exemption Threshold for Depository Institutions" received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5013. A communication from the Deputy Secretary of the Division of Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Commission Guidance on the Scope of Section 28(e) of the Exchange Act" (15 U.S.C. 78bb(e)) received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5014. A communication from the Deputy Secretary of the Division of Corporation Finance, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Disclosure of Equity Compensation Plan Information" (RIN3235-A101) received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5015. A communication from the Vice Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Thailand; to the Committee on Banking, Housing, and Urban Affairs.

EC-5016. A communication from the Trial Attorney of the Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Annual Adjustment of Monetary Threshold for Reporting Rail Equipment Accidents/Incidents" (RIN2130-AB30) received on January 4, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5017. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report entitled "TREAD Follow-Up Report"; to the Committee on Commerce, Science, and Transportation.

EC-5018. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SOCATA Groupe Aerospatiale Models TB 9, 10, 20, 21, and 200 Airplanes" ((RIN2120-AA64)(2002-0001)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5019. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120-AA64)(2002-0002)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5020. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SAAB Model SF340A and 340B Series Airplanes" ((RIN2120-AA64)(22202-0003)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5021. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing 747 Series Airplanes" ((RIN2120-AA64)(2002-0004)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5022. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737-600, -700, and -800 Series Airplanes" ((RIN2120-AA64)(2001-0590)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5023. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737 Airplanes" ((RIN2120-AA64)(2001-0591)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5024. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model MD 90-30 Series Airplanes" ((RIN2120-AA64)(2001-0592)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5025. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: GARMIN International GNS 430 Units" ((RIN2120-AA64)(2001-0593)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5026. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce Corporation 250-C20 Series Turboprop and 250-B17 Series Turboprop Engines" ((RIN2120-AA64)(2001-0594)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5027. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives:

Agusta SpA Model A119 Helicopters" ((RIN2120-AA64)(2001-0595)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5028. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Cirrus Design Corp Models SR20 and SR22 Airplanes" ((RIN2120-AA64)(2001-0596)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5029. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bell Helicopter Textron, Inc. Model 206A, B, A-1, B-1, L, and L-1 Helicopters" ((RIN2120-AA64)(2001-0597)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5030. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL-600-2B19 Series Airplanes; Correction" ((RIN2120-AA64)(2001-0598)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5031. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce 250-C20 Turboshaft and 250 B17 Turboprop Engines; Correction" ((RIN2120-AA64)(2001-0599)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5032. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce, plc Models Tay 650-15 and 651-54 Turbofan Engines" ((RIN2120-AA64)(2001-0601)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5033. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Hartzell Propeller Inc. (HC)-(2Y)-() Propellers" ((RIN2120-AA64)(2001-0602)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5034. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce RB211 Turbofan Engines" ((RIN2120-AA64)(2001-0603)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5035. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SOCATA Groupe Aerospatiale Model TBM 700 Airplanes" ((RIN2120-AA64)(2001-0604)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5036. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pilatus Aircraft Ltd. Models PC12 and PC45" ((RIN2120-AA64)(2001-0605)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5037. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Cessna Aircraft Company Model 172N, P, R172k, RG, F172N, P, J, and K Airplanes" ((RIN2120-AA64)(2001-0606)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5038. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Fokker Model F28 Mark 0100 Series Airplanes" ((RIN2120-AA64)(2001-0607)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5039. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 8-33, -43, -51, -52, -53, and -55 Series Airplanes; Model DC 8F 54 and 55 Series Airplanes; and Model DC 8-61, -61F, -63, -63F, -71, -71F, -72, -72F, -73, and -73F Series Airplanes" ((RIN2120-AA64)(2001-0608)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5040. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Aircraft Company Beech Models 1900, 1900C (C-12J), and 1900D Airplanes" ((RIN 2120-AA64) (2001-0609)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5041. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Models DC-9, 81, 82, 83, and 87 Series Airplanes; Model MD 88 Airplanes and Model MD-90 30 Series Airplanes" ((RIN 2120-AA64) (2001-0610)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5042. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737-600, 700, and 800 Series Airplanes" ((RIN 2120-AA64) (2001-0611)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5043. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Honeywell International Inc. TFE 731-1, -2, -3, and -4 Turbofan Engines" ((RIN 2120-AA64) (2001-0612)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5044. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Restricted Area R 6312 Cotulla, TX" ((RIN 2120-AA64) (2001-0176)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5045. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Springhill, IA" ((RIN 2120-AA64) (2001-0177)) received on January 9, 2002; to the Com-

mittee on Commerce, Science, and Transportation.

EC-5046. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "IFR Altitudes; Miscellaneous Amendments (19)" ((RIN 2120-AA63) (2001-0007)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5047. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Ankeny, IA" ((RIN 2120-AA66) (2002-0001)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5048. A communication from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pipeline Safety: Controlling Corrosion on Hazardous Liquid and Carbon Dioxide Pipelines" (RIN 2137-AD24) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5049. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imazamox; Pesticide Tolerance" (FRL 6817-9) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5050. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pymetrozine; Pesticide Tolerance" (FRL 6804-1) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5051. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Halosulfuron-methyl; Pesticide Tolerances for Emergency Exemptions" (FRL 6816-1) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5052. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Halosulfuron-methyl; Pesticide Tolerance" received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5053. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pesticide Chemicals Not Requiring a Tolerance or Exemption from a Tolerance; Rhodamine B; Revocation of Unlimited Tolerance Exemption" (FRL 6813-6) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5054. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Indian Meal Moth Granulosis Virus; Exemption from the Requirement of a Tolerance" (FRL 6812-5); to the Committee on Agriculture, Nutrition, and Forestry.

EC-5055. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clethodim; Pesticide Tolerances for Emergency Exemptions" (FRL 6817-1) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.



EC-5056. A communication from the Board of Governors of the Federal Reserve System, Department of the Treasury, Commodity Futures Trading Commission, Securities and Exchange Commission, transmitting jointly, pursuant to law, the Joint Report on Retail Swaps for 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5057. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Ethalfuralin; Pesticide Tolerance" (FRL 6818-6) received on January 9, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5058. A communication from the Chairman and Chief Executive Officer, Farms Credit Administration, transmitting, pursuant to law, the report of a rule entitled "Loan Policies and Operations; Definitions; Loan Purchases and Sales" (RIN 3052-AB93) received on January 9, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5059. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the antinarcotics campaign in Colombia; to the Committee on Appropriations.

EC-5060. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to the nuclear posture of the United States, and a report on sustainment and modernization of U.S. strategic nuclear forces; to the Committee on Armed Services.

EC-5061. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to a cost estimate for pay-as-you-go calculations on the Air Transportation Safety and System Stabilization Act; to the Committee on the Budget.

EC-5062. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a list of appropriation reports; to the Committee on the Budget.

EC-5063. A communication from the Railroad Retirement Board, transmitting, pursuant to law, a report relative to the Program Fraud Civil Remedies Act for Fiscal Year 2001; to the Committee on Governmental Affairs.

EC-5064. A communication from the President of the United States, transmitting, pursuant to provision in PL 94-256, 16 USC 1823, a report relative to extending the Agreement of November 12, 1992 between the United States of America and the Government of the Republic of Lithuania to December 31, 2004; referred jointly, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986; to the Committees on Commerce, Science, and Transportation; and Foreign Relations.

EC-5065. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fenbuconazole; Pesticide Tolerance" (FRL 6816-4) received on January 16, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5066. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imidacloprid; Reestablishment of Tolerance for Emergency Exemptions" (FRL 6817-6) received on January 16, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5067. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the con-

tinuation of the national emergency with respect to Sierra Leone and Liberia to extend beyond January 18, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5068. A communication from the President of the United States, transmitting, pursuant to law, the periodic report on the national emergency with respect to Sierra Leone and Liberia; to the Committee on Banking, Housing, and Urban Affairs.

EC-5069. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, a report on Unauthorized Appropriations and Expiring Authorizations; to the Committee on Appropriations.

EC-5070. A communication from the Assistant General Counsel for Regulatory Law, Office of the Chief Information Officer, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Guide to Preventing Computer Software Piracy" (DOE G 205.2-1) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC-5071. A communication from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Policy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Implementation of Fiscal Year 2002 Legislative Provisions" (AL 2002-02) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC-5072. A communication from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Policy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Implementation of Fiscal Year 2002 Legislative Provisions" (FAL 2002-02) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC-5073. A communication from the Assistant General Counsel for Regulatory Law, Office of the Chief Financial Officer, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Accounting" (DOE O 534.1A) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC-5074. A communication from the Assistant General Counsel for Regulatory Law, Office of Management Systems, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Use of Facility Contractor Employees for Services to DOE in the Washington, D.C., Area" (DOE O 350.2) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC-5075. A communication from the Assistant General Counsel for Regulatory Law, Office of the Secretary, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Radioactive Waste Management Manual" (DOE M 435.1-1 Chg. 1) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC-5076. A communication from the Deputy Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC-5077. A communication from the Deputy Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC-5078. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC-5079. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the Annual Report for the National Security Education Program for 2000; to the Committee on Armed Services.

EC-5080. A communication from the Program Manager of the Pentagon Renovation Program, Office of the Secretary of Defense,

transmitting, pursuant to law, a report relative to the Renovation of the Pentagon; to the Committee on Armed Services.

EC-5081. A communication from the Assistant General Counsel for Regulatory Law, Albuquerque Operations Office, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Control of Nuclear Explosives During Pantex Plant Operations" (AL SD 452.4) received on January 16, 2002; to the Committee on Armed Services.

EC-5082. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Implementation of the National Invasive Species Act of 1996" ((RIN2115-AF55)(2002-0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5083. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Liquid Natural Gas Carrier Transits and Anchorage Operations, Boston, Marine Inspection Zone and Captain of the Port Zone" ((RIN2115-AA97)(2001-0002)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5084. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; High Interest Vessels Transits, Narragansett Bay, Providence River, and Taunton River, Rhode Island" ((RIN2115-AA97)(2002-0003)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5085. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: Circular Wireless Winterfest Boat Parade, Broward County, Fort Lauderdale, Florida" ((RIN2115-AE46)(2002-0002)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5086. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Maine Yankee Nuclear Power Plant, Wiscasset, Maine" ((RIN2115-AA97)(2002-0006)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5087. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Tampa Bay, Florida" ((RIN2115-AA97)(2002-0005)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5088. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Gulf Intracoastal Waterway Port Isabel, Texas" ((RIN2115-AA97)(2002-0004)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5089. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Mississippi River, Iowa



and Illinois" ((RIN2115-AE47)(2002-0004)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5090. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Draw-bridge Regulations: Back River, ME" ((RIN2115-AE47)(2002-0003)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5091. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Draw-bridge Regulations: Hackensack River, NJ" ((RIN2115-AE47)(2002-0002)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5092. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Draw-bridge Regulations: Mianus River, CT" ((RIN2115-AE47)(2002-0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5093. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Area; Chesapeake Bay Entrance and Hampton Roads, VA and Adjacent Water" ((RIN2115-AE84)(2002-0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5094. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Draw-bridge Regulations; Lake Pontchartrain, LA" ((RIN2115-AE47)(2002-0005)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5095. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pollution Prevention for Oceangoing Ships and Certain Vessels in Domestic Service" ((RIN2115-AF56)(2002-0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5096. A communication from the Senior Legal Advisor to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Kailua-Kona, Hawaii" (MM Doc. No. 00-174) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5097. A communication from the Senior Legal Advisor to the Chief of the Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; (St. Augustine and Neptune Beach, Florida)" (MM Doc. No. 01-101) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5098. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; Destin, FL" (MM Doc. No. 01-171, RM-10158) received on January 16,

2002; to the Committee on Commerce, Science, and Transportation.

EC-5099. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Ancillary or Supplementary Use of Digital Television Capacity by Noncommercial Licenses" (MM Doc. No. 98-203) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5100. A communication from the Senior Legal Advisor, Wireless Telecommunications, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems, and Implementation of Section 309(j) of the Communications Act—Competitive Bidding" (WT Doc. No. 96-18) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5101. A communication from the Attorney, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "2000 Biennial Regulatory Review—Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2; Amendments to the Uniform System of Accounts for Interconnection; Jurisdictional Separations Reform and Referral to the Federal-State Joint Board; Local Competition and Broadband Reporting" (FCC 01-305) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5102. A communication from the Deputy Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers; Federal-State Joint Board on Universal Service; Access Charge Reform for Incumbent Local Exchange Carriers Subject to Rate-of-Return Regulation; Prescribing the Authorized Rate of Return for Interstate Services of Local Exchange Carriers" (FCC 01-304) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5103. A communication from the Acting Chief, Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, Including Third Generation Wireless Service" (FCC 01-256) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5104. A communication from the Acting Chief of the Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Authorization and Use of Software Defined Radios" (FCC 01-264) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5105. A communication from the Assistant Bureau Chief, Management, International Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "First Order on Reconstruction in the Matter of Redesignation of the 18 GHz Frequency Band, Blanket Licensing of Satellite Earth Stations in the Ka-Band, and the Allocation of Additional

Spectrum for Broadcast Satellite-Service Use" (FCC 01-323) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5106. A communication from the Associate Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Billed Party Preference for Inter LATA 0+ Calls, Second Order on Reconsideration in CC Docket No. 92-77" (FCC 01-355) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5107. A communication from the Legal Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Implementation of 911 Act; The Use of N11 Codes and Other Abbreviated Dialing Arrangements" (CC Doc. 92-105) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5108. A communication from the Attorney, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Numbering Resource Optimization; Implementation of the Local Competition Provision of the Telecommunications Act of 1996; Telephone Number Portability, Third Report and Order and Second Order on Reconsideration in CC Docket No. 96-98 and CC Docket No. 99-200" (FCC 01-362) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5109. A communication from the Senior Transportation Analyst, Office of the Secretary of Transportation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Procedures for Compensation of Air Carriers" ((RIN2105-AD06)(2002-0001)) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5110. A communication from the Assistant Bureau Chief, Management, International Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Report and Order in the Matter of Commission Consideration of Applications Under the Cable Landing License Act" (FCC 01-332) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5111. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Flight Crew Compartment Access and Door Designs" (RIN2120-AH55) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5112. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safe Disposition of Life-Limited Aircraft Parts" (RIN2120-AH11) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5113. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Security Considerations in the Design of the Flightdeck on Transport Category Airplanes" (RIN2120-AH56) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5114. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Olathe, CO and Paonia,

CO" (MM Doc. No. 98-188) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5115. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Detroit Lakes and Barnesville, Minnesota, and Enderlin, North Dakota" (MM Doc. No. 00-53) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5116. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Simpsonville, South Carolina" (MM Doc. No. 01-110) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5117. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Pittsburg, New Hampshire" (MM Doc. No. 01-170) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5118. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Huntsville, La Porte, Nacogdoches and Willis, Texas and Lake Charles, Louisiana" (MM Doc. No. 01-31) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5119. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Mendocino, CA" (MM Doc. No. 01-168) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5120. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Wadley, Georgia" (MM Doc. No. 01-178) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5121. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotment, FM Broadcast Stations; Moberly, Lee's Summit and Madison, Missouri" (MM Doc. No. 00-129) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5122. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Clinton and Oliver Springs, Tennessee" (MM Doc. No. 001-195) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5123. A communication from the Senior Legal Advisor to the Bureau Chief, Mass

Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Burgin and Science Hill, Kentucky" (MM Doc. No. 00-173) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5124. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; Boise, IA" (MM Doc. No. 01-85) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5125. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Sykesville, Pennsylvania" (MM Doc. No. 01-176) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5126. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Las Vegas and Pecos, New Mexico" (MM Doc. No. 01-141) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5127. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Nogales, Vail and Patagonia, Arizona" (MM Doc. No. 00-31) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5128. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; Calumet, MI" (MM Doc. No. 01-166) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5129. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Barnwell, South Carolina, and Pembroke, Douglas, Willacooche, Statesboro, Pulaski, East Dublin, Swainsboro and Twin City, Georgia" (MM Doc. No. 00-18) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5130. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.606(b), Table of Allotments; TV Broadcast Stations; International Falls and Chisholm, Minnesota" (MM Doc. No. 01-87) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5131. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV

Broadcast Stations; San Antonio, TX" (MM Doc. No. 00-100) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5132. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; New Orleans, LA" (MM Doc. No. 01-164) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5133. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Brightwood, Madras, Prineville and Bend, Oregon" (MM Doc. No. 00-87) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5134. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotment, FM Broadcast Stations; Sabinal, Texas" (MM Doc. No. 01-187) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5135. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; McConellsville, Ohio" (MM Doc. No. 00-172) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5136. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Grants, Milan, and Shiprock, New Mexico; Van Wert and Columbus Grove, Ohio; Lebanon and Hamilton, Ohio and Fort Thomas, Kentucky" (MM Doc. Nos. 01-118, -119, -122) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5137. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Arthur, North Dakota" (MM Doc. No. 01-12) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5138. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Soperton, East Dublin and Swainsboro, Georgia" (MM Doc. No. 99-259) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5139. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television" (MM Doc. No. 00-39) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

## NOMINATION DISCHARGED

Pursuant to a unanimous consent agreement of January 5, 2001, the Committee on Governmental Affairs was discharged of the following nomination:

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Kenneth M. Donohue, Sr., of Virginia, to be Inspector General, Department of Housing and Urban Development.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. CLINTON (for herself and Mr. SCHUMER):

S. 1892. A bill to designate the facility of the United States Postal Service located at 375 Carlls Path in Deer Park, New York, as the "Raymond M. Downey Post Office Building"; to the Committee on Governmental Affairs.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEVIN (for himself, Mr. DEWINE, Ms. LANDRIEU, Ms. STABENOW, Mr. CRAIG, Mrs. CLINTON, Mr. HELMS, Mr. VOINOVICH, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BAUCUS, Mr. CHAFEE, Mr. CRAPO, Mr. INHOFE, Mrs. FEINSTEIN, Mr. HOLLINGS, Mr. LUGAR, Mr. HAGEL, Mrs. HUTCHISON, Mr. JOHNSON, Mr. ALLEN, Mr. MCCAIN, Mr. NICKLES, Mr. BURNS, Mr. SESSIONS, Mr. DURBIN, Mr. SPECTER, and Mr. HUTCHINSON):

S. Res. 199. A resolution honoring the life of Rex David "Dave" Thomas and expressing the deepest condolences of the Senate to his family on his death; considered and agreed to.

By Mr. KENNEDY (for himself and Ms. MIKULSKI):

S. Res. 200. A resolution expressing the sense of the Senate regarding the national nutrition program for the elderly, on the occasion of the 30th anniversary of its establishment; considered and agreed to.

## ADDITIONAL COSPONSORS

S. 201

At the request of Mr. WARNER, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 201, a bill to require that Federal agencies be accountable for violations of antidiscrimination and whistleblower protection laws, and for other purposes.

S. 281

At the request of Mr. HAGEL, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 358

At the request of Mr. FRIST, the name of the Senator from Ohio (Mr.

VOINOVICH) was added as a cosponsor of S. 358, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and for other purposes.

S. 456

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 456, a bill to amend title 38, United States Code, to enhance the assurance of efficiency, quality, and patient satisfaction in the furnishing of health care to veterans by the Department of Veterans Affairs, and for other purposes.

S. 732

At the request of Mr. THOMPSON, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 732, a bill to amend the Internal Revenue Code of 1986 to reduce the depreciation recovery period for certain restaurant buildings, and for other purposes.

S. 742

At the request of Mr. GRASSLEY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 742, a bill to provide for pension reform, and for other purposes.

S. 865

At the request of Mr. MCCONNELL, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 865, a bill to provide small businesses certain protections from litigation excesses and to limit the product liability of nonmanufacturer product sellers.

S. 866

At the request of Mr. REID, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 866, a bill to amend the Public Health Service Act to provide for a national media campaign to reduce and prevent underage drinking in the United States.

S. 906

At the request of Mr. ENZI, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 906, a bill to provide for protection of gun owner privacy and ownership rights, and for other purposes.

S. 1030

At the request of Mr. CONRAD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1030, a bill to improve health care in rural areas by amending title XVIII of the Social Security Act and the Public Health Service Act, and for other purposes.

S. 1125

At the request of Mr. DORGAN, his name was added as a cosponsor of S. 1125, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Florida (Mr.

GRAHAM), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. REID), and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1230

At the request of Mr. FRIST, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 1230, a bill to amend the Public Health Service Act to focus American efforts on HIV/AIDS, tuberculosis, and malaria in developing countries.

S. 1566

At the request of Mr. REID, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 1566, a bill to amend the Internal Revenue code of 1986 to modify and expand the credit for electricity produced from renewable resources and waste products, and for other purposes.

S. 1593

At the request of Mr. JEFFORDS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1593, a bill to authorize the Administrator of the Environmental Protection Agency to establish a grant program to support research projects on critical infrastructure protection for water supply systems, and for other purposes.

S. 1651

At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1651, a bill to establish the United States Consensus Council to provide for a consensus building process in addressing national public policy issues, and for other purposes.

S. 1655

At the request of Mr. BIDEN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1655, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

S. 1738

At the request of Mr. KERRY, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 1738, a bill to amend title XVIII of the Social Security Act to provide regulatory relief, appeals process reforms, contracting flexibility, and education improvements under the medicare program, and for other purposes.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1774

At the request of Mr. CORZINE, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 1774, a bill to accord honorary citizenship to the alien victims of September 11, 2001, terrorist attacks against the United States and to provide for the granting of citizenship to the alien spouses and children of certain victims of such attacks.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statutes of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 1867

At the request of Mr. LIEBERMAN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1867, a bill to establish the National Commission on Terrorist Attacks Upon the United States, and for other purposes.

S. RES. 182

At the request of Mrs. FEINSTEIN, the names of the Senator from Minnesota (Mr. WELLSTONE), the Senator from Indiana (Mr. LUGAR), and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

#### STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CLINTON (for herself and Mr. SCHUMER):

S. 1892. A bill to designate the facility of the United States Postal Service located at 37 Carl Path in Deer Park, New York, as the "Raymond M. Downey Post Office Building"; to the Committee on Government Affairs.

Mrs. CLINTON. Madam President, I rise today to introduce legislation to pay tribute to a great New Yorker, a beloved leader and noble public servant, Deputy Chief Ray Downey of the New York City Fire Department. The legislation I'm introducing today with my colleague, Senator SCHUMER, would name a post office in Deer Park, New York as the "Raymond M. Downey Post Office Building."

Firs, I want to express my deepest sympathies to his wife, Rosalie, and their five children for their terrible loss.

A hero among heroes, Ray Downey was one of the most decorated members of the Fire Department, awarded five medals for valor and 16 unit citations. His esteemed career spanned nearly 40 years with the New York Fire Department, including service with both ladder and engine companies, as

well as rescue squads. A former Marine, Downey joined the New York fire department in 1962, first serving in Brooklyn.

From the Murrah Federal Building in Oklahoma City in 1995 to the 1993 World Trade Center bombing, Chief Downey helped lead the department with his skill and courage. He was considered a leading expert on rescues involving collapsed buildings. For nearly 15 years, he commanded Rescue Company 2 and in August, because of his leadership and skill, he was promoted to Special Operations Command, which dealt with hazardous materials and rescue work. The reach of his work extended beyond New York City. He was a leader of the Urban Search and Rescue Team, which assisted in the Walton Floods response in Upstate New York, as well as the "ice storm" that hit Upstate in 2000 and Hurricane Georges and the Dominican Republic.

Due to his incredible knowledge of how buildings fall down, he has been described as having "rock star" status among firefighters across the country. Congressman Israel, who introduced the companion legislation in the House of Representatives, summed it up well, saying, "He is a national treasure." I could not agree more.

Chief Downey was also a member of a national advisory commission on domestic response to terrorism. Nearly five years ago, he warned that our next war would be fought in an urban area, and, unfortunately, he was right. Early on September 11, at age 63, just like he did a thousand times before, Ray Downey responded to the call for duty. In spite of his age, he joined the heroic and unforgettable effort to save lives in World Trade Center towers. The unmistakable courage and the incalculable sacrifices that he and all the public safety officers who responded that day made for the good of their communities and their country are the kinds of virtues and values that make them real-life heroes.

It has been reported that after September 11, Ray Downey's wife Rosalie, found a manila folder in his brief case filled with letters and praise from his lifetime of service. This modest man, who never boasted of his incredible rescues, had immense pride in his work, and rightly so. He quietly chronicled his service to the city and the manila folder grew thicker.

His life of service will also live on in the hearts and minds of all those whose lives he touched through his bravery and leadership. We will never forget Ray Downey's extraordinary career and I ask you to join us today in supporting this legislation, which will create a lasting tribute to this legendary figure. Ray Downey leaves behind a grateful city, in awe of all he achieved on its behalf.

#### SUBMITTED RESOLUTIONS

SENATE RESOLUTION 200—EXPRESSING THE SENSE OF THE SENATE REGARDING THE NATIONAL NUTRITION PROGRAM FOR THE ELDERLY, ON THE OCCASION OF THE 30TH ANNIVERSARY OF ITS ESTABLISHMENT

Mr. KENNEDY (for himself and Ms. MIKULSKI) submitted the following resolution; which was considered and agreed to:

SENATE RESOLUTION 199—HONORING THE LIFE OF REX DAVID "DAVE" THOMAS AND EXPRESSING THE DEEPEST CONDOLENCES OF THE SENATE TO HIS FAMILY ON HIS DEATH

Mr. LEVIN (for himself, Mr. DEWINE, Ms. LANDRIEU, Ms. STABENOW, Mr. CRAIG, Mrs. CLINTON, Mr. HELMS, Mr. VOINOVICH, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BAUCUS, Mr. CHAFEE, Mr. CRAPO, Mr. INHOFE, Mrs. FEINSTEIN, Mr. HOLLINGS, Mr. LUGAR, Mr. HAGEL, Mrs. HUTCHISON, Mr. JOHNSON, Mr. ALLEN, Mr. MCCAIN, Mr. NICKLES, Mr. BURNS, Mr. SESSIONS, Mr. DURBIN, Mr. SPECTER, and Mr. HUTCHINSON) submitted the following resolution; which was considered and agreed to:

Whereas the Senate has learned with great sadness of the death of Dave Thomas from liver cancer at the age of 69 on January 8, 2002;

Whereas Dave Thomas, born in Atlantic City, New Jersey, on July 2, 1932, and adopted shortly thereafter by Rex and Auleva Thomas, of Kalamazoo, Michigan, was a lifelong advocate and activist for the cause of adoption;

Whereas Dave Thomas, in 1979, was awarded the Horatio Alger Award for dedication, individual initiative, and a commitment to excellence, as exemplified by remarkable achievements accomplished through honesty, hard work, self-reliance, and perseverance;

Whereas from 1990 until 2000 Dave Thomas was national spokesman for numerous White House adoption and foster care initiatives;

Whereas Dave Thomas received numerous awards including the Angel in Adoption Award by the Congressional Coalition on Adoption for generating awareness of the thousands of children waiting for permanent homes and loving families;

Whereas Dave Thomas, in 1992, established the Dave Thomas Foundation for Adoption and donated his speaking fees and profits from sales of his books, "Dave's Way, Well Done!" and "Franchising for Dummies", to adoption causes;

Whereas Dave Thomas established the Dave Thomas Foundation for Adoption, to work with national adoption organizations, individuals and public and private agencies to raise awareness about children awaiting adoption and to provide direct support for programs seeking to find permanent homes for children in foster care;

Whereas Dave Thomas established the Dave Thomas Center for Adoption Law to ease and facilitate the adoption process through education, advocacy and research;

Whereas Dave Thomas was a constructive force in shaping corporate health policy to cover adoption expenses and, through his efforts, 75 percent of Fortune 1000 companies

now offer adoption benefits to their employees;

Whereas Dave Thomas received the 2001 Social Awareness Award from the United States Postal Service for being instrumental in the use of the Adoption Awareness postage stamp as a vehicle for highlighting cause of adoption;

Whereas Dave Thomas founded Wendy's Old-Fashioned Hamburgers in Columbus, Ohio, on November 15, 1969 and transformed it into one of the most successful food franchises in the country and, in promoting Wendy's, became a national figure representing a friendly face, good food, and a kind sense of humor;

Whereas Dave Thomas, in 1993, 45 years after leaving school, earned his GED certificate and received his high school diploma from Coconut Creek High School in Ft. Lauderdale, Florida, securing him as role model to students of all ages;

Whereas Dave Thomas used his financial success to promote and advance the cause of adoption: Now, therefore, be it

*Resolved*, That the Senate—

(1) recognizes that America has lost one of its most dedicated and hardest working advocates for adoption, and honors him in his devotion to family, life, and business; and

(2) expresses its deep and heartfelt condolences to the family of Dave Thomas on their loss.

#### S. RES. 200

Whereas on March 22, 1972, President Richard Nixon signed Public Law 92-258, which amended the Older Americans Act of 1965 to establish a national nutrition program for the elderly, commonly referred to as the "Elderly Nutrition Program";

Whereas the Elderly Nutrition Program has been expanded since its inception in 1972 to include 3 distinct components: congregate meals, home delivered meals, and the Nutrition Program for the Elderly in the Department of Agriculture;

Whereas the Elderly Nutrition Program operates in every State and most counties and cities in the United States, providing seniors with guaranteed meals;

Whereas these meals each provide at a minimum 33 percent of the recommended daily allowances of nutrients;

Whereas the Elderly Nutrition Program has provided more than 4,700,000,000 meals;

Whereas the Elderly Nutrition Program is a vital component of a service network, providing a continuum of home- and community-based long-term care for seniors and helping them to avoid premature or unnecessary institutionalization;

Whereas the Elderly Nutrition Program provides a powerful socialization opportunity for millions of seniors to help combat loneliness and isolation;

Whereas a strong national network of nutrition service providers and thousands of dedicated volunteers administer the Elderly Nutrition Program; and

Whereas under the Elderly Nutrition Program, more than 272,000,000 meals are provided each year to older individuals in the greatest economic or social need and to older Native Americans: Now, therefore, be it

*Resolved*, That on the occasion of the 30th anniversary of the establishment of a national nutrition program for the elderly, commonly referred to as the "Elderly Nutrition Program"—

(1) it is the sense of the Senate that the program, of great importance to the health and well-being of participants, is well-run and continues to achieve its objectives on behalf of the senior citizens it serves; and

(2) the Senate—

(A) expresses appreciation for the daily work of all the individuals, including volun-

teers, who administer the program at the local level; and

(B) recognizes the importance of the present and future health and well-being of the millions of senior citizens across the Nation, including the maintenance of their independence and dignity.

### AMENDMENTS SUBMITTED AND PROPOSED

SA 2698. Mr. DASCHLE (for himself and Mr. BAUCUS) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

#### TEXT OF AMENDMENTS

SA 2698. Mr. DASCHLE (for himself, and Mr. BAUCUS) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Economic Recovery and Assistance for American Workers Act of 2002".

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

#### (c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

#### TITLE I—SUPPLEMENTAL REBATE FOR INDIVIDUAL TAXPAYERS

Sec. 101. Supplemental rebate.

#### TITLE II—TEMPORARY BUSINESS RELIEF

Sec. 201. Special depreciation allowance for certain property.

#### TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

Sec. 301. Temporary increases of medicaid FMAP.

#### TITLE IV—TEMPORARY EXTENDED UNEMPLOYMENT BENEFITS

Sec. 401. Short title.

Sec. 402. Federal-State agreements.

Sec. 403. Temporary extended unemployment compensation account.

Sec. 404. Payments to States having agreements under this title.

Sec. 405. Financing provisions.

Sec. 406. Fraud and overpayments.

Sec. 407. Definitions.

Sec. 408. Applicability.

#### TITLE V—ADDITIONAL PROVISIONS

Sec. 501. No impact on social security trust funds.

Sec. 502. Emergency designation.

#### TITLE I—SUPPLEMENTAL REBATE FOR INDIVIDUAL TAXPAYERS

##### SEC. 101. SUPPLEMENTAL REBATE.

(a) IN GENERAL.—Section 6428 (relating to acceleration of 10 percent income tax rate bracket benefit for 2001) is amended by adding at the end the following new subsection:

“(f) SUPPLEMENTAL REBATE.—

“(1) IN GENERAL.—Each individual who was an eligible individual for such individual's first taxable year beginning in 2000 and who, before October 16, 2001—

“(A) filed a return of tax imposed by subpart A for such taxable year, or

“(B) filed a return of income tax with the government of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, or the Virgin Islands of the United States, shall be treated as having made a payment against the tax imposed by chapter 1 for such first taxable year in an amount equal to the supplemental refund amount for such taxable year.

“(2) SUPPLEMENTAL REFUND AMOUNT.—For purposes of this subsection, the supplemental refund amount is an amount equal to the excess (if any) of—

“(A)(i) \$600 in the case of taxpayers to whom section 1(a) applies,

“(ii) \$500 in the case of taxpayers to whom section 1(b) applies, and

“(iii) \$300 in the case of taxpayers to whom subsections (c) or (d) of section 1 applies, over

“(B) the amount of any advance refund amount paid to the taxpayer under subsection (e).

“(3) TIMING OF PAYMENTS.—In the case of any overpayment attributable to this subsection, the Secretary shall, subject to the provisions of this title, refund or credit such overpayment as rapidly as possible.

“(4) NO INTEREST.—No interest shall be allowed on any overpayment attributable to this subsection.

“(5) SPECIAL RULE FOR CERTAIN NON-RESIDENTS.—The determination under subsection (c)(2) as to whether an individual who filed a return of tax described in paragraph (1)(B) is a nonresident alien individual shall, under rules prescribed by the Secretary, be made by reference to the possession or Commonwealth with which the return was filed and not the United States.”.

#### (b) TECHNICAL CORRECTION.—

(1) IN GENERAL.—Subsection (b) of section 6428 is amended to read as follows:

“(b) CREDIT TREATED AS NONREFUNDABLE PERSONAL CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart A of part IV of subchapter A of chapter 1.”.

#### (2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 6428 is amended to read as follows:

“(d) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

“(1) IN GENERAL.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

“(2) JOINT RETURNS.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.”.

(B) Paragraph (2) of section 6428(e) is amended to read as follows:

“(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if—

“(A) this section (other than subsections (b) and (d) and this subsection) had applied to such taxable year, and

“(B) the credit for such taxable year were not allowed to exceed the excess (if any) of—

“(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(ii) the sum of the credits allowable under part IV of subchapter A of chapter 1 (other

than the credits allowable under subpart C thereof, relating to refundable credits)."

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 6428(d), as amended by subsection (b), is amended by striking "subsection (e)" and inserting "subsections (e) and (f)".

(2) Paragraph (2) of section 6428(d), as amended by subsection (b), is amended by striking "subsection (e)" and inserting "subsection (e) or (f)".

(3) Paragraph (3) of section 6428(e) is amended by striking "December 31, 2001" and inserting "the date of the enactment of the Economic Recovery and Assistance for American Workers Act of 2001".

(d) REPORTING REQUIREMENT.—For purposes of determining the individuals who are eligible for the supplemental rebate under section 6428(f) of the Internal Revenue Code of 1986, the governments of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the Virgin Islands of the United States shall provide, at such time and in such manner as provided by the Secretary of the Treasury, the names, addresses, and taxpayer identifying numbers (within the meaning of section 6109 of the Internal Revenue Code of 1986) of residents who filed returns of income tax with such governments for 2000.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TECHNICALS.—The amendments made by subsection (b) shall take effect as if included in the amendment made by section 101(b)(1) of the Economic Growth and Tax Relief Reconciliation Act of 2001.

## TITLE II—TEMPORARY BUSINESS RELIEF PROVISIONS

### SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2002.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i) (I) to which this section applies which has an applicable recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after September 10, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2002, but only if no written binding contract

for the acquisition was in effect before September 11, 2001, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2002, and

"(iv) which is placed in service by the taxpayer before January 1, 2003.

"(B) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(C) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2002.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property is used under the lease-back referred to in subclause (II).

"(D) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by \$1,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

"(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person. If property ceases to be qualified leasehold improvement property, the remaining basis of such property shall be depreciated under this section over 39 years."

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2002.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

## TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

### SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP FOR LAST 3 CALENDAR QUARTERS OF FISCAL YEAR 2002.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for the second, third, and fourth calendar quarters in fiscal year 2002, before the application of this section.

(b) PERMITTING MAINTENANCE OF FISCAL YEAR 2002 FMAP FOR FIRST CALENDAR QUARTER OF FISCAL YEAR 2003.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State's FMAP for the first calendar quarter in fiscal year 2003, before the application of this section.

(c) GENERAL 1.50 PERCENTAGE POINTS INCREASE FOR CALENDAR YEAR 2002.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), for each State for the second, third, and fourth calendar quarters in fiscal year 2002 and the first calendar quarter of fiscal year 2003, the FMAP (taking into account the application of subsections (a) and (b)) shall be increased by 1.50 percentage points.



(d) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES FOR CALENDAR YEAR 2002.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), the FMAP for a high unemployment State for the second, third, and fourth calendar quarters in fiscal year 2002 and the first calendar quarter in fiscal year 2003 (and any subsequent calendar quarter in calendar year 2002 or the first calendar quarter in fiscal year 2003 regardless of whether the State continues to be a high unemployment State for any such calendar quarter) shall be increased (after the application of subsections (a), (b), and (c)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—

(A) IN GENERAL.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive months beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the “average weighted unemployment rate” for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(e) INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to the second, third, and fourth calendar quarters fiscal year 2002 and the first calendar quarter in fiscal year 2003, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(f) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r-4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(g) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (c) or (d) or an increase in a cap amount under subsection (e) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(h) DEFINITIONS.—In this section:

(1) FMAP.—The term “FMAP” means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term “State” has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

## TITLE IV—TEMPORARY EXTENDED UNEMPLOYMENT BENEFITS

### SEC. 401. SHORT TITLE.

This title may be cited as the “Temporary Extended Unemployment Compensation Act of 2002”.

### SEC. 402. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the “Secretary”). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—

(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) COORDINATION RULES.—

(1) TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this title, any regular compensation in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary extended unemployment compensation under the agreement.

(d) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because the individual has received all regular compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular com-

pensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 403 shall not exceed the amount established in such account for such individual.

### SEC. 403. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the greater of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; or

(B) 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment.

### SEC. 404. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

### SEC. 405. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund



(as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 404(a)) to States having agreements entered into under this title.

(b) **CERTIFICATION.**—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 404(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

#### SEC. 406. FRAUD AND OVERPAYMENTS.

(a) **IN GENERAL.**—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) **REPAYMENT.**—In the case of individuals who have received any temporary extended unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

#### (c) **RECOVERY BY STATE AGENCY.**—

(1) **IN GENERAL.**—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) **OPPORTUNITY FOR HEARING.**—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) **REVIEW.**—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State un-

employment compensation law, and only in that manner and to that extent.

#### SEC. 407. DEFINITIONS.

In this title, the terms “compensation”, “regular compensation”, “extended compensation”, “additional compensation”, “benefit year”, “base period”, “State”, “State agency”, “State law”, and “week” have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

#### SEC. 408. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

- (1) beginning after the date on which such agreement is entered into; and
- (2) ending before January 6, 2003.

#### TITLE V—ADDITIONAL PROVISIONS

##### SEC. 501. NO IMPACT ON SOCIAL SECURITY TRUST FUND.

(a) **IN GENERAL.**—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

##### (b) **TRANSFERS.**—

(1) **ESTIMATE OF SECRETARY.**—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) **TRANSFER OF FUNDS.**—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

##### SEC. 502. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

#### NOTICES OF HEARINGS/MEETINGS

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a Full Committee hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, January 29, at 9:30 a.m. in room 366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the Enron collapse and its effect on energy markets.

Those wishing to submit written statements on this subject should address them to the Committee on Energy and Natural Resources, Attn: Shirley Neff, United States Senate, Washington, DC 20510.

For further information, please call Shirley Neff at 202/224-6689 or Jonathan Black at 202/224-6672.

#### AUTHORITY FOR COMMITTEES TO MEET

##### SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND NUCLEAR SAFETY

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, Subcommittee on Transportation, Infrastructure, and Nuclear Safety be authorized to meet on Wednesday, January 23, 2002, at 10 a.m. to conduct a hearing on issues related to reauthorization of the Price-Anderson provisions of the Atomic Energy Act of 1954 as they apply to licenses of the United States Nuclear Regulatory Commission. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SECURITY ASSISTANCE ACT OF 2001

On December 20, 2001, the Senate amended S. 1803, as follows:

S. 1803

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Security Assistance Act of 2001”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.  
Sec. 2. Definitions.

##### TITLE I—VERIFICATION OF ARMS CONTROL AND NONPROLIFERATION AGREEMENTS

Sec. 101. Verification and Compliance Bureau personnel.

Sec. 102. Key Verification Assets Fund.

Sec. 103. Revised verification and compliance reporting requirements.

##### TITLE II—MILITARY AND RELATED ASSISTANCE

###### Subtitle A—Foreign Military Sales and Financing Authorities

Sec. 201. Authorization of appropriations.

Sec. 202. Relationship of foreign military sales to United States non-proliferation interests.

Sec. 203. Special Defense Acquisition Fund for nonproliferation and counter-narcotics purposes.

Sec. 204. Representation allowances.

Sec. 205. Arms Export Control Act prohibition on transactions with countries that have repeatedly provided support for acts of international terrorism.

Sec. 206. Congressional notification of small arms and light weapons license approvals; annual reports.

###### Subtitle B—International Military Education and Training

Sec. 211. Authorization of appropriations.

Sec. 212. Annual human rights reports.

Subtitle C—Security Assistance for Select Countries

- Sec. 221. Security assistance for Israel and Egypt.
- Sec. 222. Security assistance for Greece and Turkey.
- Sec. 223. Security assistance for certain other countries.

Subtitle D—Excess Defense Article and Drawdown Authorities

- Sec. 231. Excess defense articles for certain countries.
- Sec. 232. Annual briefing on projected availability of excess defense articles.
- Sec. 233. Expanded drawdown authority.
- Sec. 234. Duration of security assistance leases.

Subtitle E—Other Political-Military Assistance

- Sec. 241. Destruction of surplus weapons stockpiles.
- Sec. 242. Identification of funds for demining programs.

Subtitle F—Antiterrorism Assistance

- Sec. 251. Authorization of appropriations.
- Sec. 252. Specific program objectives.

Subtitle G—Other Matters

- Sec. 261. Revised military assistance reporting requirements.

**TITLE III—NONPROLIFERATION AND EXPORT CONTROL ASSISTANCE**

Subtitle A—General Provisions

- Sec. 301. Authorization of appropriations.
- Sec. 302. Joint State Department-Defense Department programs.
- Sec. 303. Nonproliferation technology acquisition programs for friendly foreign countries.
- Sec. 304. International nonproliferation and export control training.
- Sec. 305. Relocation of scientists.
- Sec. 306. Audits of the International Science and Technology Centers Program.
- Sec. 307. International Atomic Energy Agency regular budget assessments.
- Sec. 308. Revised nonproliferation reporting requirements.

Subtitle B—Russian Federation Debt Reduction for Nonproliferation

- Sec. 311. Short title.
- Sec. 312. Findings and purposes.
- Sec. 313. Definitions.
- Sec. 314. Establishment of the Russian Nonproliferation Investment Facility.
- Sec. 315. Reduction of the Russian Federation's Soviet-era debt owed to the United States, generally.
- Sec. 316. Reduction of Soviet-era debt owed to the United States as a result of credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954.
- Sec. 317. Authority to engage in debt-for-nonproliferation exchanges and debt buybacks.
- Sec. 318. Russian Nonproliferation Investment Agreement.
- Sec. 319. Structure of debt-for-nonproliferation arrangements.
- Sec. 320. Independent media and the rule of law.
- Sec. 321. Nonproliferation requirement.
- Sec. 322. Discussion of Russian Federation debt reduction for nonproliferation with other creditor states.
- Sec. 323. Implementation of United States policy.
- Sec. 324. Consultations with Congress.
- Sec. 325. Annual report to Congress.

Subtitle C—Nonproliferation Assistance Coordination

- Sec. 331. Short title.

- Sec. 332. Findings.

- Sec. 333. Independent states of the former Soviet Union defined.

- Sec. 334. Establishment of Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union.

- Sec. 335. Duties of the Committee.

- Sec. 336. Administrative support.

- Sec. 337. Confidentiality of information.

- Sec. 338. Statutory construction.

**TITLE IV—EXPEDITING THE MUNITIONS LICENSING PROCESS**

- Sec. 401. License officer staffing.

- Sec. 402. Funding for database automation.

- Sec. 403. Information management priorities.

- Sec. 404. Improvements to the Automated Export System.

- Sec. 405. Adjustment of threshold amounts for congressional review purposes.

- Sec. 406. Periodic notification of pending applications for export licenses.

**TITLE V—NATIONAL SECURITY ASSISTANCE STRATEGY**

- Sec. 501. Establishment of the Strategy.

- Sec. 502. Security assistance surveys.

**TITLE VI—MISCELLANEOUS PROVISIONS**

- Sec. 601. Nuclear and missile nonproliferation in South Asia.

- Sec. 602. Real-time public availability of raw seismological data.

- Sec. 603. Detailing United States governmental personnel to international arms control and nonproliferation organizations.

- Sec. 604. Diplomatic presence overseas.

- Sec. 605. Protection against agricultural bioterrorism.

- Sec. 606. Compliance with the Chemical Weapons Convention.

**TITLE VII—AUTHORITY TO TRANSFER NAVAL VESSELS**

- Sec. 701. Authority to transfer naval vessels to certain foreign countries.

**SEC. 2. DEFINITIONS.**

In this Act:

- (1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

- (2) **DEFENSE ARTICLE.**—The term “defense article” has the meaning given the term in section 47(3) of the Arms Export Control Act (22 U.S.C. 2794 note).

- (3) **DEFENSE SERVICE.**—The term “defense service” has the meaning given the term in section 47(4) of the Arms Export Control Act (22 U.S.C. 2794 note).

- (4) **EXCESS DEFENSE ARTICLE.**—The term “excess defense article” has the meaning given the term in section 644(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(g)).

- (5) **SECRETARY.**—Except as otherwise provided, the term “Secretary” means the Secretary of State.

**TITLE I—VERIFICATION OF ARMS CONTROL AND NONPROLIFERATION AGREEMENTS**

**SEC. 101. VERIFICATION AND COMPLIANCE BUREAU PERSONNEL.**

- (a) **IN GENERAL.**—Of the total amounts made available to the Department of State for fiscal years 2002 and 2003, not less than \$14,000,000 each such fiscal year shall be provided to the Bureau of Verification and Compliance of the Department of State for Bureau-administered activities, including the Key Verification Assets Fund.

- (b) **ADDITIONAL PERSONNEL.**—In addition to the amounts made available under subsection (a), not less than \$1,800,000 shall be

made available from the Department's American Salaries Account, for the purpose of hiring new personnel to carry out the Bureau's responsibilities, as set forth in section 112 of the Arms Export Control and Nonproliferation Act of 1999 (113 Stat. 1501A-486), as enacted into law by section 1000(a)(7) of Public Law 106-113.

**SEC. 102. KEY VERIFICATION ASSETS FUND.**

Of the total amounts made available to the Department of State for fiscal years 2002 and 2003, not less than \$7,000,000 shall be made available within the Verification and Compliance Bureau's account for each such fiscal year to carry out section 111 of the Arms Control and Nonproliferation Act of 1999 (113 Stat. 1501A-486), as enacted into law by section 1000(a)(7) of Public Law 106-113.

**SEC. 103. REVISED VERIFICATION AND COMPLIANCE REPORTING REQUIREMENTS.**

Section 403(a) of the Arms Control and Disarmament Act (22 U.S.C. 2593a(a)) is amended by striking “January 31” and inserting “April 15”.

**TITLE II—MILITARY AND RELATED ASSISTANCE**

**Subtitle A—Foreign Military Sales and Financing Authorities**

**SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the President for grant assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763) and for the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, of direct loans under such section \$3,674,000,000 for fiscal year 2002 and \$4,267,000,000 for fiscal year 2003.

**SEC. 202. RELATIONSHIP OF FOREIGN MILITARY SALES TO UNITED STATES NONPROLIFERATION INTERESTS.**

(a) **AUTHORIZED PURPOSES.**—The first sentence of section 4 of the Arms Export Control Act (22 U.S.C. 2754) is amended by inserting “for preventing or hindering the proliferation of weapons of mass destruction and of the means of delivering such weapons,” after “self-defense,”.

(b) **DEFINITION OF “WEAPONS OF MASS DESTRUCTION”.**—Section 47 of the Arms Export Control Act (22 U.S.C. 2794) is amended—

(1) by striking “and” at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(10) ‘weapons of mass destruction’ has the meaning provided by section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104-201; 110 Stat. 2717; 50 U.S.C. 2302(1)).”.

(c) **SENSE OF CONGRESS.**—It is the sense of Congress that the Secretary should ensure, in circumstances where the sale of defense articles or defense services to a friendly country would serve the nonproliferation interests of the United States, but that country cannot afford to purchase such defense articles or defense services, that grant assistance is provided pursuant to section 23 of the Arms Export Control Act to facilitate such acquisition.

**SEC. 203. SPECIAL DEFENSE ACQUISITION FUND FOR NONPROLIFERATION AND COUNTER-NARCOTICS PURPOSES.**

(a) **ESTABLISHMENT.**—Notwithstanding any other provision of law, the President shall direct that the Special Defense Acquisition Fund be established pursuant to section 51 of the Arms Export Control Act (22 U.S.C. 2795).

(b) **USE OF THE SPECIAL DEFENSE ACQUISITION FUND.**—Section 51(a)(4) of the Arms Export Control Act (22 U.S.C. 2795(a)(4)) is amended by striking “for use for” and all that follows through “equipment” and inserting the following: “for use for—

“(A) narcotics control purposes and are appropriate to the needs of recipient countries, such as small boats, planes (including helicopters), and communications equipment; and

“(B) nonproliferation and export control purposes, such as nuclear, radiological, chemical, and biological warfare materials detection equipment.”

(c) **LIMITATION.**—Section 51(c) of the Arms Export Control Act (22 U.S.C. 2795(c)) is amended—

(1) in paragraph (1), by striking all after “exceed” through the period and inserting “\$200,000,000.”; and

(2) in paragraph (2), by striking “provided” and all that follows through “Acts” and inserting “specifically authorized by law in advance”.

(d) **AUTHORIZATION.**—For fiscal year 2003, not more than \$20,000,000 may be made available for obligation for the procurement of items pursuant to section 51 of the Arms Export Control Act.

#### **SEC. 204. REPRESENTATION ALLOWANCES.**

Section 43(c) of the Arms Export Control Act (22 U.S.C. 2792(c)) is amended by striking “\$72,500” and inserting “\$86,500”.

#### **SEC. 205. ARMS EXPORT CONTROL ACT PROHIBITION ON TRANSACTIONS WITH COUNTRIES THAT HAVE REPEATEDLY PROVIDED SUPPORT FOR ACTS OF INTERNATIONAL TERRORISM.**

The second sentence of section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) is amended—

(1) by inserting “or chemical, biological, or radiological agents” after “nuclear explosive devices”; and

(2) by inserting “or chemical, biological, or radiological agents” after “nuclear material”.

#### **SEC. 206. CONGRESSIONAL NOTIFICATION OF SMALL ARMS AND LIGHT WEAPONS LICENSE APPROVALS; ANNUAL REPORTS.**

(a) **CONGRESSIONAL NOTIFICATION OF EXPORT LICENSE APPROVALS.**—Section 36(c) of the Arms Export Control Act (22 U.S.C. 2776(c)) is amended by inserting “(or, in the case of a defense article that is a firearm controlled under category I of the United States Munitions List, \$1,000,000 or more)” after “\$50,000,000 or more”.

(b) **REPORT.**—Not later than six months after the date of enactment of this Act, and annually thereafter, the Secretary of State shall submit an unclassified report to the appropriate congressional committees on the numbers, range, and findings of end-use monitoring of United States transfers in small arms and light weapons.

(c) **ANNUAL MILITARY ASSISTANCE REPORTS.**—Section 655(b)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2415(b)(3)) is amended by inserting before the period at the end the following: “, including, in the case of defense articles that are firearms controlled under category I of the United States Munitions List, a statement of the aggregate dollar value and quantity of semi-automatic assault weapons, or related equipment, the manufacture, transfer, or possession of which is unlawful under section 922 of title 18, United States Code, that were licensed for export during the period covered by the report”.

(d) **ANNUAL REPORT ON ARMS BROKERING.**—Not later than six months after the date of enactment of this Act, and annually thereafter, the Secretary of State shall submit a report to the appropriate committees of Congress on activities of registered arms brokers, including violations of the Arms Export Control Act.

(e) **ANNUAL REPORT ON INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO AND FIRE-**

**ARMS.**—Not later than six months after the date of enactment of this Act, and annually thereafter, the Secretary of the Treasury shall submit a report to the appropriate committees of Congress on investigations and other efforts undertaken by the Bureau of Alcohol, Tobacco and Firearms (including cooperation with other agencies) to stop United States-source weapons from being used in terrorist acts and international crime.

#### **Subtitle B—International Military Education and Training**

##### **SEC. 211. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the President \$75,000,000 for fiscal year 2002 and \$85,290,000 for fiscal year 2003 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.; relating to international military education and training).

##### **SEC. 212. ANNUAL HUMAN RIGHTS REPORTS.**

(a) **WITH RESPECT TO PROHIBITIONS ON NON-MILITARY ASSISTANCE.**—Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following:

“(7) to the extent practicable, for any violation of internationally recognized human rights reported under this subsection, whether any foreign military or defense ministry civilian participant in education and training activities under chapter 5 of part II of this Act was involved.”

(b) **RECORDS REGARDING FOREIGN PARTICIPANTS.**—Section 548 of the Foreign Assistance Act of 1961 (22 U.S.C. 2347e) is amended—

(1) by striking “In” and inserting “(a) DEVELOPMENT AND MAINTENANCE OF DATABASE.—In”; and

(2) by adding at the end the following new subsections:

“(b) **ANNUAL LIST OF FOREIGN PERSONNEL.**—For the purposes of preparing the report required pursuant to section 116(d), the Secretary of State may annually request the Secretary of Defense to provide information contained in the database with respect to a list submitted to the Secretary of Defense by the Secretary of State, containing the names of foreign personnel or military units. To the extent practicable, the Secretary of Defense shall provide, and the Secretary of State may take into account, the information contained in the database, if any, relating to the Secretary of State’s submission.

“(c) **UPDATING OF DATABASE.**—If the Secretary of State determines and reports to Congress under section 116(d) that a foreign person identified in the database maintained pursuant to this section was involved in a violation of internationally recognized human rights, the Secretary of Defense shall ensure that the database is updated to contain such fact and all relevant information.”

#### **Subtitle C—Security Assistance for Select Countries**

##### **SEC. 221. SECURITY ASSISTANCE FOR ISRAEL AND EGYPT.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **ISRAEL.**—Section 513 of the Security Assistance Act of 2000 (Public Law 106-280) is amended by striking “2001 and 2002” each place that it appears and inserting “2002 and 2003”.

(2) **EGYPT.**—Section 514 of the Security Assistance Act of 2000 (Public Law 106-280) is amended by striking “2001 and 2002” each place that it appears and inserting “2002 and 2003”.

(b) **BALLISTIC MISSILE DEFENSE.**—Of the amounts made available for fiscal years 2002

and 2003 under section 513 of the Security Assistance Act of 2000 (Public Law 106-280), as amended by subsection (a), \$100,000,000 may be used each such fiscal year for the establishment, in cooperation with a United States company, of a production line for the Arrow missile in the United States.

##### **SEC. 222. SECURITY ASSISTANCE FOR GREECE AND TURKEY.**

(a) **IN GENERAL.**—Of the amounts made available for the fiscal years 2002 and 2003 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.)—

(1) \$1,000,000 for fiscal year 2002 and \$1,170,000 for fiscal year 2003 are authorized to be available for Greece; and

(2) \$2,500,000 for fiscal year 2002 and \$2,920,000 for fiscal year 2003 are authorized to be available for Turkey.

(b) **USE FOR PROFESSIONAL MILITARY EDUCATION.**—Of the amounts available under paragraphs (1) and (2) of subsection (a) for each of fiscal years 2002 and 2003, \$500,000 of each such amount should be available for purposes of professional military education.

(c) **USE FOR JOINT TRAINING.**—It is the sense of Congress that, to the maximum extent practicable, amounts available under subsection (a) that are used in accordance with subsection (b) should be used for joint training of Greek and Turkish officers.

(d) **REPEAL.**—Section 512 of the Security Assistance Act of 2000 (Public Law 106-280; 114 Stat. 856) is repealed.

##### **SEC. 223. SECURITY ASSISTANCE FOR CERTAIN OTHER COUNTRIES.**

(a) **FMF FOR CERTAIN OTHER COUNTRIES.**—Of the amounts made available for the fiscal years 2002 and 2003 under section 23 of the Arms Export Control Act (22 U.S.C. 2763), the following amounts are authorized to be available on a grant basis for the following countries for the fiscal years specified:

(1) **THE BALTIC STATES.**—For all of the Baltic states of Estonia, Latvia, and Lithuania, \$21,000,000 for fiscal year 2002 and \$24,400,000 for fiscal year 2003.

(2) **BULGARIA.**—For Bulgaria, \$10,000,000 for fiscal year 2002 and \$11,620,000 for fiscal year 2003.

(3) **THE CZECH REPUBLIC.**—For the Czech Republic, \$12,000,000 for fiscal year 2002 and \$14,000,000 for fiscal year 2003.

(4) **GEORGIA.**—For Georgia, \$5,650,000 for fiscal year 2002 and \$6,560,000 for fiscal year 2003.

(5) **HUNGARY.**—For Hungary, \$12,000,000 for fiscal year 2002 and \$14,000,000 for fiscal year 2003.

(6) **JORDAN.**—For Jordan, \$75,000,000 for fiscal year 2002 and \$87,300,000 for fiscal year 2003.

(7) **MALTA.**—For Malta, \$1,000,000 for fiscal year 2002 and \$1,170,000 for fiscal year 2003.

(8) **THE PHILIPPINES.**—For the Philippines, \$19,000,000 for fiscal year 2002 and \$22,100,000 for fiscal year 2003.

(9) **POLAND.**—For Poland, \$15,000,000 for fiscal year 2002 and \$17,500,000 for fiscal year 2003.

(10) **ROMANIA.**—For Romania, \$11,500,000 for fiscal year 2002 and \$13,400,000 for fiscal year 2003.

(11) **SLOVAKIA.**—For Slovakia, \$8,500,000 for fiscal year 2002 and \$9,900,000 for fiscal year 2003.

(12) **SLOVENIA.**—For Slovenia, \$4,500,000 for fiscal year 2002 and \$5,250,000 for fiscal year 2003.

(b) **IMET.**—Of the amounts made available for the fiscal years 2002 and 2003 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.), the following amounts are authorized to be available for the following countries for the fiscal years specified:

(1) **THE BALTIC STATES.**—For all of the Baltic states of Estonia, Latvia, and Lithuania, \$3,000,000 for fiscal year 2002 and \$3,420,000 for fiscal year 2003.

(2) **BULGARIA.**—For Bulgaria, \$1,200,000 for fiscal year 2002 and \$1,370,000 for fiscal year 2003.

(3) **THE CZECH REPUBLIC.**—For the Czech Republic, \$1,800,000 for fiscal year 2002 and \$2,050,000 for fiscal year 2003.

(4) **GEORGIA.**—For Georgia, \$850,000 for fiscal year 2002 and \$970,000 for fiscal year 2003.

(5) **HUNGARY.**—For Hungary, \$1,800,000 for fiscal year 2002 and \$2,050,000 for fiscal year 2003.

(6) **JORDAN.**—For Jordan, \$1,800,000 for fiscal year 2002 and \$2,050,000 for fiscal year 2003.

(7) **MALTA.**—For Malta, \$300,000 for fiscal year 2002 and \$350,000 for fiscal year 2003.

(8) **THE PHILIPPINES.**—For the Philippines, \$1,710,000 for fiscal year 2002 and \$2,000,000 for fiscal year 2003.

(9) **POLAND.**—For Poland, \$1,900,000 for fiscal year 2002 and \$2,160,000 for fiscal year 2003.

(10) **ROMANIA.**—For Romania, \$1,400,000 for fiscal year 2002 and \$1,600,000 for fiscal year 2003.

(11) **SLOVAKIA.**—For Slovakia, \$850,000 for fiscal year 2002 and \$970,000 for fiscal year 2003.

(12) **SLOVENIA.**—For Slovenia, \$800,000 for fiscal year 2002 and \$910,000 for fiscal year 2003.

(c) **WRITTEN EXPLANATION OF PRESIDENTIAL DETERMINATIONS.**—In the event that the President determines not to provide, or determines to exceed, the funding allocated for any country specified in this section by an amount that is more than five percent of that specified in this section, the President shall submit to the appropriate committees of Congress within 15 days of such determination a written explanation of the reasons therefor.

(d) **REPEALS.**—Sections 511 (a) and (b) and 515 of the Security Assistance Act of 2000 are repealed.

#### **Subtitle D—Excess Defense Article and Drawdown Authorities**

#### **SEC. 231. EXCESS DEFENSE ARTICLES FOR CERTAIN COUNTRIES.**

(a) **AUTHORITY.**—Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal years 2002 and 2003, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to Albania, Bulgaria, Croatia, Estonia, Former Yugoslavia Republic of Macedonia, Georgia, India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Pakistan, Romania, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

(b) **SENSE OF CONGRESS.**—The authority provided under this section should be utilized only for those countries demonstrating a genuine commitment to democracy and human rights.

#### **SEC. 232. ANNUAL BRIEFING ON PROJECTED AVAILABILITY OF EXCESS DEFENSE ARTICLES.**

Not later than 90 days prior to the commencement of each fiscal year, the Department of Defense shall brief the Department of State and the appropriate committees of Congress regarding the expected availability of excess defense articles during the next fiscal year, for the purpose of enabling the Department of State to factor such availability into annual security assistance plans.

#### **SEC. 233. EXPANDED DRAWDOWN AUTHORITY.**

Section 506(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(c)) is amended to read as follows:

“(c) For the purposes of any provision of law that authorizes the drawdown of defense or other articles or commodities, or defense or other services from an agency of the United States Government, such drawdown may include the supply of commercial transportation and related services and defense or other articles or commodities, or defense or other services, that are acquired by contract for the purposes of the drawdown in question, if the cost to acquire such items or services is less than the cost to the United States Government of providing such items or services from existing agency assets.”.

#### **SEC. 234. DURATION OF SECURITY ASSISTANCE LEASES.**

Section 61 of the Arms Export Control Act (22 U.S.C. 2796) is amended—

(1) in subsection (b), by striking “of not to exceed five years” and inserting “that may not exceed 5 years, plus a period of time specified in the lease as may be necessary for major refurbishment work to be performed prior to final delivery by the lessor of the defense articles,”; and

(2) by adding at the end the following new subsection:

“(d) In this section, the term ‘major refurbishment work’ means refurbishment work performed over a period estimated to be 6 months or more.”.

#### **Subtitle E—Other Political-Military Assistance**

#### **SEC. 241. DESTRUCTION OF SURPLUS WEAPONS STOCKPILES.**

Of the funds authorized to be appropriated to the President for fiscal years 2002 and 2003 to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), relating to development assistance, up to \$10,000,000 is authorized to be made available each such fiscal year for the destruction of surplus stockpiles of small arms, light weapons, and other munitions.

#### **SEC. 242. IDENTIFICATION OF FUNDS FOR DEMINING PROGRAMS.**

Of the funds authorized to be appropriated under section 201 for nonproliferation, antiterrorism, demining, and related programs, \$40,000,000 is authorized to be appropriated for fiscal year 2002 for demining programs and program support costs.

#### **Subtitle F—Antiterrorism Assistance**

#### **SEC. 251. AUTHORIZATION OF APPROPRIATIONS.**

Section 574(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa-4(a)) is amended by striking “\$72,000,000 for fiscal year 2001 and \$73,000,000 for fiscal year 2002” and inserting “\$73,000,000 for fiscal year 2002 and \$75,000,000 for fiscal year 2003”.

#### **SEC. 252. SPECIFIC PROGRAM OBJECTIVES.**

Of the amounts authorized to be appropriated to the President pursuant to section 574(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa-4(a)), \$2,000,000 may be made available for the provision of the Pisces system to the governments of the Philippines and Pakistan.

#### **Subtitle G—Other Matters**

#### **SEC. 261. REVISED MILITARY ASSISTANCE REPORTING REQUIREMENTS.**

(a) **ANNUAL FOREIGN MILITARY TRAINING REPORTS.**—Section 656(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2416) does not apply to any NATO or major non-NATO ally unless the chairman or ranking member of one of the appropriate committees of Congress has specifically requested, in writing, inclusion of such country in the report. Such request shall be made not later than 45 calendar days prior to the date on which the report is required to be transmitted.

(b) **ANNUAL MILITARY ASSISTANCE REPORTS.**—Section 655 of the Foreign Assistance Act of 1961 (22 U.S.C. 2415) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(c) **QUARTERLY REPORTS ON GOVERNMENT-TO-GOVERNMENT ARMS EXPORTS.**—Section 36(a) of the Arms Export Control Act (22 U.S.C. 2776(a)) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8), (9), (10), (11), (12), and (13) as paragraphs (7), (8), (9), (10), (11), and (12), respectively.

### **TITLE III—NONPROLIFERATION AND EXPORT CONTROL ASSISTANCE**

#### **Subtitle A—General Provisions**

#### **SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

(a) **AUTHORIZATION.**—Section 585 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb-4) is amended—

(1) in subsection (a), by striking all after “chapter” and inserting “\$142,000,000 for fiscal year 2002 and \$152,000,000 for fiscal year 2003.”; and

(2) in subsection (c), by striking “2001” each place that it appears and inserting “2002”.

(b) **SUBALLOCATIONS.**—Of the amounts authorized to be appropriated to the President for fiscal years 2002 and 2003 under chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.)—

(1) not less than \$2,000,000 shall be made available each such fiscal year for the purpose of carrying out section 584 of the Foreign Assistance Act of 1961, as added by section 304 of this Act; and

(2) \$65,000,000 for fiscal year 2002 and \$65,000,000 for fiscal year 2003 are authorized to be appropriated for science and technology centers in the independent states of the former Soviet Union.

(c) **CONFORMING AMENDMENT.**—Section 302 of the Security Assistance Act of 2000 (Public Law 106-280) is repealed.

#### **SEC. 302. JOINT STATE DEPARTMENT-DEFENSE DEPARTMENT PROGRAMS.**

Of the amounts authorized to be appropriated to the President for fiscal years 2002 and 2003 under chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.), the Secretary is authorized to make available not more than \$1,000,000 for international counterproliferation programs administered by the Department of Defense.

#### **SEC. 303. NONPROLIFERATION TECHNOLOGY ACQUISITION PROGRAMS FOR FRIENDLY FOREIGN COUNTRIES.**

(a) **IN GENERAL.**—For the purpose of enhancing the nonproliferation and export control capabilities of friendly countries, of the amounts authorized to be appropriated for fiscal years 2002 and 2003 under chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.), the Secretary is authorized to expend not more than—

(1) \$5,000,000 for the procurement and provision of nuclear, chemical, and biological detection systems, including spectroscopic and pulse echo technologies; and

(2) \$10,000,000 for the procurement and provision of x-ray systems capable of imaging sea-cargo containers.

(b) **TRAINING REQUIREMENT.**—The Secretary shall not provide any equipment or technology pursuant to this section without having first developed and budgeted for a multiyear training plan to assist foreign personnel in the utilization of those items.

(c) **PROCUREMENT AUTHORITIES.**—For fiscal year 2003, the Secretary shall utilize, to the maximum extent practicable, the Special Defense Acquisition Fund for procurements authorized under this section.

**SEC. 304. INTERNATIONAL NONPROLIFERATION AND EXPORT CONTROL TRAINING.**

Chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.) is amended—

(1) by redesignating sections 584 and 585 as sections 585 and 586, respectively; and

(2) by inserting after section 583 the following:

**“SEC. 584. INTERNATIONAL NONPROLIFERATION EXPORT CONTROL TRAINING.**

“(a) GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions consistent with this chapter (but whenever feasible on a reimbursable basis), education and training to foreign personnel for the purpose of enhancing the nonproliferation and export control capabilities of such personnel through their attendance in special courses of instruction conducted by the United States.

“(b) ADMINISTRATION OF COURSES.—The Secretary of State shall have overall responsibility for the development and conduct of international nonproliferation education and training programs, but may utilize other departments and agencies, as appropriate, to recommend personnel for the education and training, and to administer specific courses of instruction.

“(c) PURPOSES.—Education and training activities conducted under this section shall be—

“(1) of a technical nature, emphasizing techniques for detecting, deterring, monitoring, interdicting, and countering proliferation;

“(2) designed to encourage effective and mutually beneficial relations and increased understanding between the United States and friendly countries; and

“(3) designed to improve the ability of friendly countries to utilize their resources with maximum effectiveness, thereby contributing to greater self-reliance by such countries.

“(d) PRIORITY TO CERTAIN COUNTRIES.—In selecting military and foreign governmental personnel for education and training pursuant to this section, priority shall be given to personnel from countries for which the Secretary of State has given priority under section 583(b).”

**SEC. 305. RELOCATION OF SCIENTISTS.**

(a) REINSTATEMENT OF CLASSIFICATION AUTHORITY.—Section 4 of the Soviet Scientists Immigration Act of 1992 (Public Law 102-509; 106 Stat. 3316; 8 U.S.C. 1153 note) is amended by striking subsection (d) and inserting the following:

“(d) DURATION OF AUTHORITY.—The authority under subsection (a) shall be in effect during the following periods:

“(1) The period beginning on the date of the enactment of this Act and ending 4 years after such date.

“(2) The period beginning on the date of the enactment of the Security Assistance Act of 2001 and ending 4 years after such date.”

(b) LIMITATION ON NUMBER OF SCIENTISTS ELIGIBLE FOR VISAS UNDER AUTHORITY.—Subsection (c) of such section is amended by striking “750” and inserting “950”.

(c) LIMITATION ON ELIGIBILITY.—Subsection (a) of such section is amended by adding at the end the following new sentence: “A scientist is not eligible for designation under this subsection if the scientist has previously been granted the status of an alien lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20))).”

(d) CONSULTATION REQUIREMENT.—The Attorney General shall consult with the Secretary, the Secretary of Defense, the Sec-

retary of Energy, and the heads of other appropriate agencies of the United States regarding—

(1) previous experience in implementing the Soviet Scientists Immigration Act of 1992; and

(2) any changes that those officials would recommend in the regulations prescribed under that Act.

**SEC. 306. AUDITS OF THE INTERNATIONAL SCIENCE AND TECHNOLOGY CENTERS PROGRAM.**

Consistent with section 303(b) of the Security Assistance Act of 2000 (Public Law 106-280; 114 Stat. 853), not later than 60 days after the date of enactment of this Act, the Secretary shall submit a detailed report to the appropriate committees of Congress on United States audit practices with respect to the “International Science and Technology Centers Program”.

**SEC. 307. INTERNATIONAL ATOMIC ENERGY AGENCY REGULAR BUDGET ASSESSMENTS.**

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of State has concluded that the International Atomic Energy Agency (hereafter in this section referred to as the “IAEA”) is a critical and effective instrument for verifying compliance with international nuclear nonproliferation agreements, and that it serves as an essential barrier to the spread of nuclear weapons.

(2) The IAEA furthers United States national security objectives by helping to prevent the proliferation of nuclear weapons material, especially through its work on effective verification and safeguards measures.

(3) The IAEA can also perform a critical role in monitoring and verifying aspects of nuclear weapons reduction agreements between nuclear weapons states.

(4) As the IAEA has negotiated and developed more effective verification and safeguards measures, it has experienced significant real growth in its mission, especially in the vital area of nuclear safeguards inspections.

(5) Nearly two decades of zero budget growth have affected the ability of the IAEA to carry out its mission and to hire and retain the most qualified inspectors and managers, as evidenced in the decreasing proportion of such personnel who hold doctorate degrees.

(6) Although voluntary contributions by the United States lessen the IAEA’s budgetary constraints, they cannot readily be used for the long-term capital investments or permanent staff increases necessary to an effective IAEA safeguards regime.

(7) It was not the intent of Congress that the United States contributions to all United Nations-related organizations and activities be reduced pursuant to the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted into law by section 1000(a)(7) of Public Law 106-113; 113 Stat. 1501A-405 et seq.), which sets 22 percent assessment rates as benchmarks for the general United Nations budget, the Food and Agricultural Organization, the World Health Organization, and the International Labor Organization. Rather, contributions for important and effective agencies such as the IAEA should be maintained at levels commensurate with the criticality of its mission.

(b) ADDITIONAL FUNDING FOR THE INTERNATIONAL ATOMIC ENERGY AGENCY.—It is the sense of Congress that—

(1) the Secretary should negotiate a gradual and sustained increase in the regular budget of the International Atomic Energy Agency, which should begin with the 2002 budget;

(2) if a regular budget increase for the IAEA is achieved, the Secretary should seek to gain consensus within the IAEA Board of Governors for allocation of a larger proportion of that budget to nuclear nonproliferation activities; and

(3) if such a reallocation of the regular IAEA budget cannot be obtained, the United States should decrease its voluntary contribution by \$400,000 for each \$1,000,000 increase in its annual assessment.

(c) AUTHORIZATION OF APPROPRIATIONS.—Of the funds authorized to be appropriated for international organizations, \$60,000,000 are authorized to be appropriated in fiscal year 2002 for the payment of the United States assessment to the International Atomic Energy Agency, and \$75,000,000 shall be available for that purpose in fiscal year 2003.

**SEC. 308. REVISED NONPROLIFERATION REPORTING REQUIREMENTS.**

Section 308 of Public Law 102-182 (22 U.S.C. 5606) is hereby repealed.

**Subtitle B—Russian Federation Debt Reduction for Nonproliferation****SEC. 311. SHORT TITLE.**

This subtitle may be cited as the “Russian Federation Debt Reduction for Nonproliferation Act of 2001”.

**SEC. 312. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds the following:

(1) It is in the vital security interests of the United States to prevent the spread of weapons of mass destruction to additional states or to terrorist organizations, and to ensure that other nations’ obligations to reduce their stockpiles of such arms in accordance with treaties, executive agreements, or political commitments are fulfilled.

(2) In particular, it is in the vital national security interests of the United States to ensure that—

(A) all stocks of nuclear weapons and weapons-usable nuclear material in the Russian Federation are secure and accounted for;

(B) stocks of nuclear weapons and weapons-usable nuclear material that are excess to military needs in the Russian Federation are monitored and reduced;

(C) any chemical or biological weapons, related materials, and facilities in the Russian Federation are destroyed;

(D) the Russian Federation’s nuclear weapons complex is reduced to a size appropriate to its post-Cold War missions, and its experts in weapons of mass destruction technologies are shifted to gainful and sustainable civilian employment;

(E) the Russian Federation’s export control system blocks any proliferation of weapons of mass destruction, the means of delivering such weapons, and materials, equipment, know-how, or technology that would be used to develop, produce, or deliver such weapons; and

(F) these objectives are accomplished with sufficient monitoring and transparency to provide confidence that they have in fact been accomplished and that the funds provided to accomplish these objectives have been spent efficiently and effectively.

(3) United States programs should be designed to accomplish these vital objectives in the Russian Federation as rapidly as possible, and the President should develop and present to Congress a plan for doing so.

(4) Substantial progress has been made in United States-Russian Federation cooperative programs to achieve these objectives, but much more remains to be done to reduce the urgent risks to United States national security posed by the current state of the Russian Federation’s weapons of mass destruction stockpiles and complexes.

(5) The threats posed by inadequate management of weapons of mass destruction

stockpiles and complexes in the Russian Federation remain urgent. Incidents in years immediately preceding 2001, which have been cited by the Russia Task Force of the Secretary of Energy's Advisory Board, include—

(A) a conspiracy at one of the Russian Federation's largest nuclear weapons facilities to steal nearly enough highly enriched uranium for a nuclear bomb;

(B) an attempt by an employee of the Russian Federation's premier nuclear weapons facility to sell nuclear weapons designs to agents of Iraq and Afghanistan; and

(C) the theft of radioactive material from a Russian Federation submarine base.

(6) Addressing these threats to United States and world security will ultimately consume billions of dollars, a burden that will have to be shared by the Russian Federation, the United States, and other governments, if this objective is to be achieved.

(7) The creation of new funding streams could accelerate progress in reducing these threats to United States security and help the government of the Russian Federation to fulfill its responsibility for secure management of its weapons stockpiles and complexes as United States assistance phases out.

(8) The Russian Federation suffers from a significant foreign debt burden, a substantial proportion of which it inherited from the Soviet Union. The Russian Federation is taking full responsibility for this debt, but the burden of debt repayment could threaten Russian Federation economic reform, particularly in 2003 and beyond.

(9) The Russian Federation's need for debt relief has been the subject of discussions between the United States and the Russian Federation at the highest levels and is cited by United States officials as one reason why the Russian Federation has recognized that its future lies with the West.

(10) Past debt-for-environment exchanges, in which a portion of a country's foreign debt is canceled in return for certain environmental commitments or payments by that country, provide a model for a possible debt-for-nonproliferation exchange with the Russian Federation, which could be designed to provide additional funding for nonproliferation and arms reduction initiatives.

(11) Most of the Russian Federation's official bilateral debt is held by United States allies that are advanced industrial democracies. Since the issues described pose threats to United States allies as well, United States leadership that results in a larger contribution from United States allies to cooperative threat reduction activities will be needed.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to recognize the vital interests of the United States, its allies, and the Russian Federation in reducing the threats to international security described in the findings set forth in subsection (a);

(2) to facilitate the accomplishment of the United States objectives described in the findings set forth in subsection (a) by providing for the alleviation of a portion of the Russian Federation's foreign debt, thus allowing the use of additional resources for these purposes; and

(3) to ensure that resources freed from debt in the Russian Federation are targeted to the accomplishment of the United States objectives described in the findings set forth in subsection (a).

#### SEC. 313. DEFINITIONS.

In this subtitle:

(1) AGREEMENT.—The term "Agreement" means the Russian Nonproliferation Investment Agreement provided for in section 318.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(3) COST.—The term "cost" has the meaning given that term in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)).

(4) FACILITY.—The term "Facility" means the Russian Nonproliferation Investment Facility established in the Department of the Treasury by section 314.

(5) SOVIET-ERA DEBT.—The term "Soviet-era debt" means debt owed as a result of loans or credits provided by the United States (or any agency of the United States) to the Union of Soviet Socialist Republics.

#### SEC. 314. ESTABLISHMENT OF THE RUSSIAN NON-PROLIFERATION INVESTMENT FACILITY.

There is established in the Department of the Treasury an entity to be known as the "Russian Nonproliferation Investment Facility" for the purpose of providing for the administration of debt reduction in accordance with this subtitle.

#### SEC. 315. REDUCTION OF THE RUSSIAN FEDERATION'S SOVIET-ERA DEBT OWED TO THE UNITED STATES, GENERALLY.

(a) AUTHORITY TO REDUCE SOVIET-ERA DEBT.—

(1) AUTHORITY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), and subject to section 321, the President may reduce the amount of Soviet-era debt owed by the Russian Federation to the United States (or any agency of the United States) that is outstanding as of October 1, 2001.

(B) EXCEPTION.—The authority of subparagraph (A) to reduce Soviet-era debt does not include any debt that is described in section 316(a)(1).

(2) CONGRESSIONAL NOTIFICATION.—The President shall notify the appropriate congressional committees of his intention to reduce the amount of the Russian Federation's Soviet-era debt at least 15 days in advance of any formal determination to do so.

(3) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—For the cost of the reduction of any Soviet-era debt pursuant to this section, there are authorized to be appropriated to the President—

(i) \$50,000,000 for fiscal year 2002; and

(ii) \$100,000,000 for fiscal year 2003.

(B) LIMITATION.—The authority provided by this section shall be available only to the extent that appropriations for the cost of the modification of any Soviet-era debt pursuant to this section are made in advance.

(4) CERTAIN PROHIBITIONS INAPPLICABLE.—

(A) IN GENERAL.—A reduction of Soviet-era debt pursuant to this section shall not be considered assistance for the purposes of any provision of law limiting assistance to a country.

(B) ADDITIONAL REQUIREMENT.—The authority of this section may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

(b) IMPLEMENTATION OF SOVIET-ERA DEBT REDUCTION.—

(1) IN GENERAL.—Any reduction of Soviet-era debt pursuant to subsection (a) shall be—

(A) implemented pursuant to the terms of a Russian Nonproliferation Investment Agreement authorized under section 318; and

(B) accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in such

subsection that are outstanding as of October 1, 2001.

(2) EXCHANGE OF OBLIGATIONS.—

(A) IN GENERAL.—The Facility shall notify the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of an agreement entered into under paragraph (1) with the Russian Federation to exchange a new obligation for outstanding obligations.

(B) ADDITIONAL REQUIREMENT.—At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation for the Russian Federation shall be established relating to the agreement, and the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall make an adjustment in its accounts to reflect the debt reduction.

(c) ADDITIONAL TERMS AND CONDITIONS.—The following additional terms and conditions shall apply to the reduction of Soviet-era debt under subsection (a)(1) in the same manner as such terms and conditions apply to the reduction of debt under section 704(a)(1) of the Foreign Assistance Act of 1961:

(1) The provisions relating to repayment of principal under section 705 of the Foreign Assistance Act of 1961.

(2) The provisions relating to interest on new obligations under section 706 of the Foreign Assistance Act of 1961.

#### SEC. 316. REDUCTION OF SOVIET-ERA DEBT OWED TO THE UNITED STATES AS A RESULT OF CREDITS EXTENDED UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

(a) AUTHORITY TO REDUCE CERTAIN SOVIET-ERA DEBT.—

(1) AUTHORITY.—Notwithstanding any other provision of law, and subject to section 321, the President may reduce the amount of Soviet-era debt owed to the United States (or any agency of the United States) by the Russian Federation that is outstanding as of October 1, 2001, as a result of any credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.).

(2) CONGRESSIONAL NOTIFICATION.—The President shall notify the appropriate congressional committees of his intention to reduce the amount of the Russian Federation's Soviet-era debt described in paragraph (1) at least 15 days in advance of any formal determination to do so.

(3) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—For the cost of the reduction of any Soviet-era debt pursuant to this section, there are authorized to be appropriated to the President—

(i) \$50,000,000 for fiscal year 2002; and

(ii) \$100,000,000 for fiscal year 2003.

(B) LIMITATION.—The authority provided by this section shall be available only to the extent that appropriations for the cost of the modification of any Soviet-era debt pursuant to this section are made in advance.

(b) IMPLEMENTATION OF SOVIET-ERA DEBT REDUCTION.—

(1) IN GENERAL.—Any reduction of Soviet-era debt pursuant to subsection (a) shall be—

(A) implemented pursuant to the terms of a Russian Nonproliferation Investment Agreement authorized under section 318; and

(B) accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in such subsection that are outstanding as of October 1, 2001.

(2) EXCHANGE OF OBLIGATIONS.—

(A) IN GENERAL.—The Facility shall notify the Commodity Credit Corporation of an agreement entered into under paragraph (1) with an eligible country to exchange a new obligation for outstanding obligations.



(B) **ADDITIONAL REQUIREMENT.**—At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation shall be established for the Russian Federation relating to the agreement, and the Commodity Credit Corporation shall make an adjustment in its accounts to reflect the debt reduction.

(C) **ADDITIONAL TERMS AND CONDITIONS.**—The following additional terms and conditions shall apply to the reduction of Soviet-era debt under subsection (a)(1) in the same manner as such terms and conditions apply to the reduction of debt under section 604(a)(1) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738c):

(1) The provisions relating to repayment of principal under section 605 of such Act.

(2) The provisions relating to interest on new obligations under section 606 of such Act.

**SEC. 317. AUTHORITY TO ENGAGE IN DEBT-FOR-NONPROLIFERATION EXCHANGES AND DEBT BUYBACKS.**

(a) **LOANS AND CREDITS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.**—

(1) **DEBT-FOR-NONPROLIFERATION EXCHANGES.**—

(A) **IN GENERAL.**—Notwithstanding any other provision of law, and subject to section 321, the President may, in accordance with this section, sell to any purchaser eligible under subparagraph (B), any loan or credit described in section 315(a)(1), or any credit described in section 316(a)(1), or on receipt of payment from an eligible purchaser, reduce or cancel any such loan or credit or portion thereof, only for the purpose of facilitating a debt-for-nonproliferation exchange to support activities that further United States objectives described in the findings set forth in section 312(a).

(B) **ELIGIBLE PURCHASER.**—A loan or credit may be sold, reduced, or canceled under subparagraph (A) with respect to a purchaser who presents plans satisfactory to the President for using the loan or credit for the purpose of engaging in debt-for-nonproliferation exchange to support activities that further United States objectives described in the findings set forth in section 312(a).

(C) **CONSULTATION REQUIREMENT.**—Before the sale under subparagraph (A) to any purchaser eligible under subparagraph (B), or any reduction or cancellation under subparagraph (A), of any loan or credit made to the Russian Federation, the President shall consult with that country concerning the amount of loans or credits to be sold, reduced, or canceled and their uses for debt-for-nonproliferation exchanges to support activities that further United States objectives described in the findings set forth in section 312(a).

(D) **AUTHORIZATION OF APPROPRIATIONS.**—For the cost of the reduction of any debt pursuant to subparagraph (A), amounts authorized to be appropriated under sections 315(a)(3) and 316(a)(3) shall be made available for such reduction of debt pursuant to subparagraph (A).

(2) **DEBT BUYBACKS.**—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to the Russian Federation any loan or credit described in section 315(a)(1) or any credit described in section 316(a)(1), or on receipt of payment from the Russian Federation, reduce or cancel such loan or credit or portion thereof, if the purpose of doing so is to facilitate a debt buyback by the Russian Federation of its own qualified debt and the Russian Federation uses a substantial additional amount of its local currency to support activities that further United States objectives described in the findings set forth in section 312(a).

(3) **LIMITATION.**—The authority provided by paragraphs (1) and (2) shall be available only to the extent that appropriations for the cost of the modification of any debt pursuant to such paragraphs are made in advance.

(4) **TERMS AND CONDITIONS.**—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans and credits may be sold, reduced, or canceled pursuant to this section.

(5) **ADMINISTRATION.**—

(A) **IN GENERAL.**—The Facility shall notify the Administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 or the Commodity Credit Corporation, as the case may be, of purchasers that the President has determined to be eligible under paragraph (1)(B), and shall direct such agency or Corporation, as the case may be, to carry out the sale, reduction, or cancellation of a loan pursuant to such paragraph.

(B) **ADDITIONAL REQUIREMENT.**—Such agency or Corporation, as the case may be, shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(b) **DEPOSIT OF PROCEEDS.**—The proceeds from a sale, reduction, or cancellation of a loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

**SEC. 318. RUSSIAN NONPROLIFERATION INVESTMENT AGREEMENT.**

(a) **AUTHORITY.**—Subject to section 321, the Secretary is authorized, in consultation with other appropriate officials of the Federal Government, to enter into an agreement with the Russian Federation concerning the use of the funds saved by that country as a result of any debt relief provided pursuant to this subtitle. An agreement entered into under this section may be referred to as the “Russian Nonproliferation Investment Agreement”.

(b) **CONTENT OF AGREEMENT.**—The Russian Nonproliferation Investment Agreement shall ensure that—

(1) a significant proportion of the funds saved by the Russian Federation as a result of any debt relief provided pursuant to this subtitle is devoted to nonproliferation programs and projects;

(2) funding of each such program or project is approved by the United States Government, either directly or through its representation on any governing board that may be directed or established to manage these funds;

(3) administration and oversight of nonproliferation programs and projects incorporate best practices from established threat reduction and nonproliferation assistance programs;

(4) each program or project funded pursuant to the Agreement is subject to audits conducted by or for the United States Government;

(5) unobligated funds for investments pursuant to the Agreement are segregated from other Russian Federation funds and invested in financial instruments guaranteed or insured by the United States Government;

(6) the funds that are devoted to programs and projects pursuant to the Agreement are not subject to any taxation by the Russian Federation;

(7) all matters relating to the intellectual property rights and legal liabilities of United States firms in a given project are agreed upon before the expenditure of funds is authorized for that project; and

(8) not less than 75 percent of the funds made available for each nonproliferation program or project under the Agreement is spent in the Russian Federation.

(c) **USE OF EXISTING MECHANISMS.**—It is the sense of Congress that, to the extent practicable, the boards and administrative mechanisms of existing threat reduction and nonproliferation programs should be used in the administration and oversight of programs and projects under the Agreement.

**SEC. 319. STRUCTURE OF DEBT-FOR-NONPROLIFERATION ARRANGEMENTS.**

It is the sense of Congress that any debt-for-nonproliferation arrangements with the Russian Federation should provide for gradual debt relief over a period of years, with debt relief to be suspended if more than two years’ worth of funds remain unobligated for approved nonproliferation programs or projects.

**SEC. 320. INDEPENDENT MEDIA AND THE RULE OF LAW.**

Subject to section 321, of the agreed funds saved by the Russian Federation as a result of any debt relief provided pursuant to this subtitle, up to 10 percent may be used to promote a vibrant, independent media sector and the rule of law in the Russian Federation through an endowment to support the establishment of a “Center for an Independent Press and the Rule of Law” in the Russian Federation, which shall be directed by a joint United States-Russian Board of Directors in which the majority of members, including the chairman, shall be United States personnel, and which shall be responsible for management of the endowment, its funds, and the Center’s programs.

**SEC. 321. NONPROLIFERATION REQUIREMENT.**

(a) **PROLIFERATION TO STATE SPONSORS OF TERRORISM.**—The authorities granted under sections 315, 316, 317, 318, and 320 may not be exercised, and funds may not be expended, unless and until—

(1) the Russian Federation makes material progress in stemming the flow of sensitive goods, technologies, material, and know-how related to the design, development, and production of weapons of mass destruction and the means to deliver them to countries that have been determined by the Secretary, for the purposes of section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act, or section 6(j) of the Export Administration Act of 1979, to have repeatedly provided support for acts of international terrorism; and

(2) the President certifies to the appropriate congressional committees that the condition required in paragraph (1) has been met.

(b) **ANNUAL DETERMINATION.**—If, in any annual report to Congress submitted pursuant to section 325, the President cannot certify that the Russian Federation continues to meet the condition required in subsection (a)(1), then, subject to the provisions of subsection (c), the authorities granted under sections 315, 316, 317, 318, and 320 may not be exercised, and funds may not be expended, unless and until such certification is made to the appropriate congressional committees.

(c) **PRESIDENTIAL WAIVER.**—The President may waive the requirements of subsection (b) for a fiscal year if the President determines that imposition of those requirements in that fiscal year would be counter to the national interest of the United States and so reports to the appropriate congressional committees.

**SEC. 322. DISCUSSION OF RUSSIAN FEDERATION DEBT REDUCTION FOR NONPROLIFERATION WITH OTHER CREDITOR STATES.**

The President and such other appropriate officials as the President may designate shall institute discussions in the Paris Club of creditor states with the objectives of—

(1) reaching agreement that each member of the Paris Club is authorized to negotiate

debt exchanges with the Russian Federation covering a portion of its bilateral debt, to finance the accomplishment of nonproliferation and arms reduction activities;

(2) convincing other member states of the Paris Club, especially the largest holders of Soviet-era Russian debt, to dedicate significant proportions of their bilateral debt with the Russian Federation to these purposes; and

(3) reaching agreement, as appropriate, to establish a unified debt exchange fund to manage and provide financial transparency for the resources provided through the debt exchanges.

#### **SEC. 323. IMPLEMENTATION OF UNITED STATES POLICY.**

It is the sense of Congress that implementation of debt-for-nonproliferation programs with the Russian Federation should be overseen by the Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union (established pursuant to section 334 of this Act).

#### **SEC. 324. CONSULTATIONS WITH CONGRESS.**

The President shall consult with the appropriate congressional committees on a periodic basis to review the operations of the Facility and the Russian Federation's eligibility for benefits from the Facility.

#### **SEC. 325. ANNUAL REPORT TO CONGRESS.**

Not later than December 31, 2002, and not later than December 31 of each year thereafter, the President shall prepare and transmit to Congress a report concerning the operation of the Facility during the fiscal year preceding the fiscal year in which the report is transmitted. The report on a fiscal year shall include—

- (1) a description of the activities undertaken by the Facility during the fiscal year;
- (2) a description of any agreement entered into under this subtitle;
- (3) a description of any grants that have been provided pursuant to the agreement; and
- (4) a summary of the results of audits performed in the fiscal year pursuant to the agreement.

#### **Subtitle C—Nonproliferation Assistance Coordination**

#### **SEC. 331. SHORT TITLE.**

This subtitle may be cited as the “Nonproliferation Assistance Coordination Act of 2001”.

#### **SEC. 332. FINDINGS.**

Congress finds that—

- (1) United States nonproliferation efforts in the independent states of the former Soviet Union have achieved important results in ensuring that weapons of mass destruction, weapons-usable material and technology, and weapons-related knowledge remain beyond the reach of terrorists and weapons-proliferating states;
- (2) although these efforts are in the United States national security interest, the effectiveness of these efforts suffers from a lack of coordination within and among United States Government agencies;
- (3) increased spending and investment by the United States private sector on nonproliferation efforts in the independent states of the former Soviet Union, specifically, spending and investment by the United States private sector in job creation initiatives and proposals for unemployed Russian Federation weapons scientists and technicians, are making an important contribution in ensuring that knowledge related to weapons of mass destruction remains beyond the reach of terrorists and weapons-proliferating states; and
- (4) increased spending and investment by the United States private sector on nonproliferation efforts in the independent

states of the former Soviet Union require the establishment of a coordinating body to ensure that United States public and private efforts are not in conflict, and to ensure that public spending on efforts by the independent states of the former Soviet Union is maximized to ensure efficiency and further United States national security interests.

#### **SEC. 333. INDEPENDENT STATES OF THE FORMER SOVIET UNION DEFINED.**

In this subtitle, the term “independent states of the former Soviet Union” has the meaning given the term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

#### **SEC. 334. ESTABLISHMENT OF COMMITTEE ON NONPROLIFERATION ASSISTANCE TO THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.**

(a) **ESTABLISHMENT.**—There is established within the executive branch of the Government an interagency committee known as the “Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union” (in this subtitle referred to as the “Committee”).

(b) **MEMBERSHIP.**—

(1) **IN GENERAL.**—The Committee shall be composed of five members, as follows:

- (A) A representative of the Department of State designated by the Secretary of State.
- (B) A representative of the Department of Energy designated by the Secretary of Energy.
- (C) A representative of the Department of Defense designated by the Secretary of Defense.
- (D) A representative of the Department of Commerce designated by the Secretary of Commerce.
- (E) A representative of the Assistant to the President for National Security Affairs designated by the Assistant to the President.

(2) **LEVEL OF REPRESENTATION.**—The Secretary of a department named in subparagraph (A), (B), (C), or (D) of paragraph (1) shall designate as the department's representative an official of that department who is not below the level of an Assistant Secretary of the department.

(c) **CHAIR.**—The representative of the Assistant to the President for National Security Affairs shall serve as Chair of the Committee. The Chair may invite the head of any other department or agency of the United States to designate a representative of that department or agency to participate from time to time in the activities of the Committee.

#### **SEC. 335. DUTIES OF THE COMMITTEE.**

(a) **IN GENERAL.**—The Committee shall have primary continuing responsibility within the executive branch of the Government for—

- (1) monitoring United States nonproliferation efforts in the independent states of the former Soviet Union; and
- (2) coordinating the implementation of United States policy with respect to such efforts.

(b) **DUTIES SPECIFIED.**—In carrying out the responsibilities described in subsection (a), the Committee shall—

- (1) arrange for the preparation of analyses on the issues and problems relating to coordination within and among United States departments and agencies on nonproliferation efforts of the independent states of the former Soviet Union;
- (2) arrange for the preparation of analyses on the issues and problems relating to coordination between the United States public and private sectors on nonproliferation efforts in the independent states of the former Soviet Union, including coordination between public and private spending on nonproliferation programs of the independent states of the former Soviet Union and coordi-

nation between public spending and private investment in defense conversion activities of the independent states of the former Soviet Union;

(3) provide guidance on arrangements that will coordinate, de-conflict, and maximize the utility of United States public spending on nonproliferation programs of the independent states of the former Soviet Union to ensure efficiency and further United States national security interests;

(4) encourage companies and nongovernmental organizations involved in nonproliferation efforts of the independent states of the former Soviet Union to voluntarily report these efforts to the Committee;

(5) arrange for the preparation of analyses on the issues and problems relating to the coordination between the United States and other countries with respect to nonproliferation efforts in the independent states of the former Soviet Union; and

(6) consider, and make recommendations to the President and Congress with respect to, proposals for new legislation or regulations relating to United States nonproliferation efforts in the independent states of the former Soviet Union as may be necessary.

#### **SEC. 336. ADMINISTRATIVE SUPPORT.**

All United States departments and agencies shall provide, to the extent permitted by law, such information and assistance as may be requested by the Committee in carrying out its functions and activities under this subtitle.

#### **SEC. 337. CONFIDENTIALITY OF INFORMATION.**

Information which has been submitted or received in confidence shall not be publicly disclosed, except to the extent required by law, and such information shall be used by the Committee only for the purpose of carrying out the functions and activities set forth in this subtitle.

#### **SEC. 338. STATUTORY CONSTRUCTION.**

Nothing in this subtitle—

(1) applies to the data-gathering, regulatory, or enforcement authority of any existing United States department or agency over nonproliferation efforts in the independent states of the former Soviet Union, and the review of those efforts undertaken by the Committee shall not in any way supersede or prejudice any other process provided by law; or

(2) applies to any activity that is reportable pursuant to title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).

### **TITLE IV—EXPEDITING THE MUNITIONS LICENSING PROCESS**

#### **SEC. 401. LICENSE OFFICER STAFFING.**

(a) **FUNDING.**—Of the amounts authorized to be appropriated under the appropriations account entitled “DIPLOMATIC AND CONSULAR PROGRAMS” for fiscal years 2002 and 2003, not less than \$10,000,000 shall be made available each such fiscal year for the Office of Defense Trade Controls of the Department of State for salaries and expenses.

(b) **ASSIGNMENT OF LICENSE REVIEW OFFICERS.**—Effective January 1, 2002, the Secretary shall assign to the Office of Defense Trade Controls of the Department of State a sufficient number of license review officers to ensure that the average weekly caseload for each officer does not exceed 40.

(c) **DETAILLEES.**—For the purpose of expediting license reviews, the Secretary of Defense should ensure that 10 military officers are continuously detailed to the Office of Defense Trade Controls of the Department of State on a nonreimbursable basis.

#### **SEC. 402. FUNDING FOR DATABASE AUTOMATION.**

Of the amounts authorized to be appropriated under the appropriations account entitled “CAPITAL INVESTMENT FUND” for fiscal years 2002 and 2003, not less than \$4,000,000

shall be made available each such fiscal year for the Office of Defense Trade Controls of the Department of State for the modernization of information management systems.

#### SEC. 403. INFORMATION MANAGEMENT PRIORITIES.

(a) OBJECTIVE.—The Secretary shall establish a secure, Internet-based system for the filing and review of applications for export of Munitions List items.

(b) ESTABLISHMENT OF AN ELECTRONIC SYSTEM.—Of the amounts made available pursuant to section 402, not less than \$3,000,000 each such fiscal year shall be made available to fully automate the Defense Trade Application System, and to ensure that the system—

(1) is a secure, electronic system for the filing and review of Munitions List license applications;

(2) is accessible by United States companies through the Internet for the purpose of filing and tracking their Munitions List license applications; and

(3) is capable of exchanging data with—

(A) the Export Control Automated Support System of the Department of Commerce;

(B) the Foreign Disclosure and Technology Information System and the USXPORTS systems of the Department of Defense;

(C) the Export Control System of the Central Intelligence Agency; and

(D) the Proliferation Information Network System of the Department of Energy.

(c) MUNITIONS LIST DEFINED.—In this section, the term “Munitions List” means the United States Munitions List of defense articles and defense services controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

#### SEC. 404. IMPROVEMENTS TO THE AUTOMATED EXPORT SYSTEM.

(a) CONTRIBUTION TO THE AUTOMATED EXPORT SYSTEM.—Not less than \$250,000 of the amounts provided under section 302 for each fiscal year shall be available for the purpose of—

(1) providing the Department of State with full access to the Automated Export System;

(2) ensuring that the system is modified to meet the needs of the Department of State, if such modifications are consistent with the needs of other United States Government agencies; and

(3) providing operational support.

(b) MANDATORY FILING.—The Secretary of Commerce, with the concurrence of the Secretary of State and the Secretary of Treasury, shall publish regulations in the Federal Register to require, upon the effective date of those regulations, that all persons who are required to file export information under chapter 9 of title 13, United States Code, to file such information through the Automated Export System.

(c) REQUIREMENT FOR INFORMATION SHARING.—The Secretary shall conclude an information-sharing arrangement with the heads of United States Customs Service and the Census Bureau—

(1) to allow the Department of State to access information on controlled exports made through the United States Postal Service; and

(2) to adjust the Automated Export System to parallel information currently collected by the Department of State.

(d) SECRETARY OF TREASURY FUNCTIONS.—Section 303 of title 13, United States Code, is amended by striking “, other than by mail.”.

(e) FILING EXPORT INFORMATION, DELAYED FILINGS, PENALTIES FOR FAILURE TO FILE.—Section 304 of title 13, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking “the penal sum of \$1,000” and inserting “a penal sum of \$10,000”; and

(B) in the third sentence, by striking “a penalty not to exceed \$100 for each day’s delinquency beyond the prescribed period, but not more than \$1,000,” and inserting “a penalty not to exceed \$1,000 for each day’s delinquency beyond the prescribed period, but not more than \$10,000 per violation”;

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following:

“(b) Any person, other than a person described in subsection (a), required to submit export information, shall file such information in accordance with any rule, regulation, or order issued pursuant to this chapter. In the event any such information or reports are not filed within such prescribed period, the Secretary of Commerce (and officers of the Department of Commerce designated by the Secretary) may impose a civil penalty not to exceed \$1,000 for each day’s delinquency beyond the prescribed period, but not more than \$10,000 per violation.”.

(f) ADDITIONAL PENALTIES.—

(1) IN GENERAL.—Section 305 of title 13, United States Code, is amended to read as follows:

#### “SEC. 305. PENALTIES FOR UNLAWFUL EXPORT INFORMATION ACTIVITIES.

“(a) CRIMINAL PENALTIES.—(1) Any person who knowingly fails to file or knowingly submits false or misleading export information through the Shippers Export Declaration (SED) (or any successor document) or the Automated Export System (AES) shall be subject to a fine not to exceed \$10,000 per violation or imprisonment for not more than 5 years, or both.

“(2) Any person who knowingly reports any information on or uses the SED or the AES to further any illegal activity shall be subject to a fine not to exceed \$10,000 per violation or imprisonment for not more than 5 years, or both.

“(3) Any person who is convicted under this subsection shall, in addition to any other penalty, be subject to forfeiting to the United States—

“(A) any of that person’s interest in, security of, claim against, or property or contractual rights of any kind in the goods or tangible items that were the subject of the violation;

“(B) any of that person’s interest in, security of, claim against, or property or contractual rights of any kind in tangible property that was used in the export or attempt to export that was the subject of the violation; and

“(C) any of that person’s property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

“(b) CIVIL PENALTIES.—The Secretary (and officers of the Department of Commerce specifically designated by the Secretary) may impose a civil penalty not to exceed \$10,000 per violation on any person violating the provisions of this chapter or any rule, regulation, or order issued thereunder, except as provided in section 304. Such penalty may be in addition to any other penalty imposed by law.

“(c) CIVIL PENALTY PROCEDURE.—(1) When a civil penalty is sought for a violation of this section or of section 304, the charged party is entitled to receive a formal complaint specifying the charges and, at his or her request, to contest the charges in a hearing before an administrative law judge. Any such hearing shall be conducted in accordance with sections 556 and 557 of title 5, United States Code.

“(2) If any person fails to pay a civil penalty imposed under this chapter, the Secretary may ask the Attorney General to commence a civil action in an appropriate

district court of the United States to recover the amount imposed (plus interest at currently prevailing rates from the date of the final order). No such action may be commenced more than 5 years after the order imposing the civil penalty becomes final. In such action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

“(3) The Secretary may remit or mitigate any penalties imposed under paragraph (1) if, in his or her opinion—

“(A) the penalties were incurred without willful negligence or fraud; or

“(B) other circumstances exist that justify a remission or mitigation.

“(4) If, pursuant to section 306, the Secretary delegates functions under this section to another agency, the provisions of law of that agency relating to penalty assessment, remission or mitigation of such penalties, collection of such penalties, and limitations of actions and compromise of claims, shall apply.

“(5) Any amount paid in satisfaction of a civil penalty imposed under this section or section 304 shall be deposited into the general fund of the Treasury and credited as miscellaneous receipts.

“(d) ENFORCEMENT.—(1) The Secretary of Commerce may designate officers or employees of the Office of Export Enforcement to conduct investigations pursuant to this chapter. In conducting such investigations, those officers or employees may, to the extent necessary or appropriate to the enforcement of this chapter, exercise such authorities as are conferred upon them by other laws of the United States, subject to policies and procedures approved by the Attorney General.

“(2) The Commissioner of Customs may designate officers or employees of the Customs Service to enforce the provisions of this chapter, or to conduct investigations pursuant to this chapter.

“(e) REGULATIONS.—The Secretary of Commerce shall promulgate regulations for the implementation and enforcement of this section.

“(f) EXEMPTION.—The criminal fines provided for in this section are exempt from the provisions of section 3571 of title 18, United States Code.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 9 of title 13, United States Code, is amended by striking the item relating to section 305 and inserting the following:

“305. Penalties for unlawful export information activities.”.

#### SEC. 405. ADJUSTMENT OF THRESHOLD AMOUNTS FOR CONGRESSIONAL REVIEW PURPOSES.

The Arms Export Control Act is amended—

(1) in section 3(d) (22 U.S.C. 2753(d))—

(A) in paragraphs (1) and (3)(A), by striking “The President may not” and inserting “Subject to paragraph (5), the President may not”; and

(B) by adding at the end of the following new paragraph:

“(5) In the case of a transfer to a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries, the limitations on consent of the President set forth in paragraphs (1) and (3)(A) shall apply only if the transfer is—

“(A) a transfer of major defense equipment valued (in terms of its original acquisition cost) at \$25,000,000 or more; or

“(B) a transfer of defense articles or defense services valued (in terms of its original acquisition cost) at \$100,000,000 or more.”.

(2) in section 36 (22 U.S.C. 2776)—

(A) in subsection (b)—

(i) in paragraph (1), by striking “(1) In the case of” and inserting “(1) Subject to paragraph (6), in the case of”;

(ii) in paragraph (5)(C), by striking “(C) If” and inserting “(C) Subject to paragraph (6), if”;

(iii) by adding at the end of the following new paragraph:

“(6) The limitation in paragraph (1) and the requirement in paragraph (5)(C) shall apply in the case of a letter of offer to sell to a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries only if the letter of offer involves—

“(A) sale of major defense equipment under this Act for, or enhancement or upgrade of major defense equipment at a cost of, \$25,000,000 or more, as the case may be; and

“(B) sale of defense articles or services for, or enhancement or upgrade of defense articles or services at a cost of, \$100,000,000 or more, as the case may be; or

“(C) sale of design and construction services for, or enhancement or upgrade of design and construction services at a cost of, \$300,000,000 or more, as the case may be.”;

and

(B) in subsection (c)—

(i) in paragraph (1), by striking “(1) In the case of” and inserting “(1) Subject to paragraph (5), in the case of”;

(ii) by adding at the end the following new paragraph:

“(5) In the case of an application by a person (other than with regard to a sale under section 21 or 22 of this Act) for a license for the export to a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries, the limitation on the issuance of the license set forth in paragraph (1) shall apply only if the license is for export of—

“(A) major defense equipment sold under a contract in the amount of \$25,000,000 or more; or

“(B) defense articles or defense services sold under a contract in the amount of \$100,000,000 or more.”;

(3) in section 63(a) (22 U.S.C. 2796b(a))—

(A) by striking “In the case of” and inserting “(1) Subject to paragraph (2), in the case of”;

(B) by adding at the end the following new paragraph:

“(2) In the case of an agreement described in paragraph (1) that is entered into with a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand, the limitation in paragraph (1) shall apply only if the agreement involves a lease or loan of—

“(A) major defense equipment valued (in terms of its replacement cost less any depreciation in its value) at \$25,000,000 or more; or

“(B) defense articles valued (in terms of their replacement cost less any depreciation in their value) at \$100,000,000 or more.”.

#### SEC. 406. PERIODIC NOTIFICATION OF PENDING APPLICATIONS FOR EXPORT LICENSES.

The Secretary shall submit, on a biannual basis, to the appropriate committees of Congress a report identifying—

(1) each outstanding application for a license to export under section 38 of the Arms Export Control Act for which final administrative action has been withheld for longer than 180 days; and

(2) the referral status of each such application and any other relevant information.

### TITLE V—NATIONAL SECURITY ASSISTANCE STRATEGY

#### SEC. 501. ESTABLISHMENT OF THE STRATEGY.

(a) REQUIREMENT.—Not later than 180 days after the date of enactment of this Act, and annually thereafter in connection with submission of congressional presentation materials for the foreign operations appropriations budget request, the Secretary shall submit to the appropriate committees of Congress a report setting forth a National Security Assistance Strategy for the United States.

(b) ELEMENTS OF THE STRATEGY.—The National Security Assistance Strategy shall—

(1) set forth a 5-year plan for security assistance programs;

(2) be consistent with the National Security Strategy of the United States;

(3) be coordinated with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff;

(4) identify overarching security assistance objectives, including identification of the role that specific security assistance programs will play in achieving such objectives;

(5) identify a primary security assistance objective, as well as specific secondary objectives, for individual countries;

(6) identify, on a country-by-country basis, how specific resources will be allocated to accomplish both primary and secondary objectives;

(7) discuss how specific types of assistance, such as foreign military financing and international military education and training, will be combined at the country level to achieve United States objectives; and

(8) detail, with respect to each of the paragraphs (1) through (7), how specific types of assistance provided pursuant to the Arms Export Control Act and Foreign Assistance Act of 1961 are coordinated with United States assistance programs administered by the Department of Defense and other agencies.

(c) COVERED ASSISTANCE.—The National Security Assistance Strategy shall cover assistance provided under—

(1) section 23 of the Arms Export Control Act (22 U.S.C. 2763);

(2) chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.); and

(3) section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i).

#### SEC. 502. SECURITY ASSISTANCE SURVEYS.

(a) UTILIZATION.—The Secretary shall utilize security assistance surveys in preparation of the National Security Assistance Strategy required pursuant to section 501 of this Act.

(b) FUNDING.—Of the amounts made available for fiscal year 2002 under section 23 of the Arms Export Control Act (22 U.S.C. 2763), \$2,000,000 is authorized to be available to the Secretary to conduct security assistance surveys, or to request such a survey, on a reimbursable basis, by the Department of Defense or other United States Government agencies. Such surveys shall be conducted consistent with the requirements of section 26 of the Arms Export Control Act.

### TITLE VI—MISCELLANEOUS PROVISIONS

#### SEC. 601. NUCLEAR AND MISSILE NON-PROLIFERATION IN SOUTH ASIA.

(a) UNITED STATES POLICY.—It shall be the policy of the United States, consistent with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons, to encourage and work with the governments of India and Pakistan to achieve the following objectives by September 30, 2003:

(1) Continuation of a nuclear testing moratorium.

(2) Commitment not to deploy nuclear weapons.

(3) Agreement by both governments to bring their export controls in line with the guidelines and requirements of the Nuclear Suppliers Group.

(4) Agreement by both governments to bring their export controls in line with the guidelines and requirements of the Zangger Committee.

(5) Agreement by both governments to bring their export controls in line with the guidelines, requirements, and annexes of the Missile Technology Control Regime.

(6) Establishment of a modern, effective system to protect and secure nuclear devices and materiel from unauthorized use, accidental employment, theft, espionage, misuse, or abuse.

(7) Establishment of a modern, effective system to control the export of sensitive dual-use items, technology, technical information, and materiel that can be used in the design, development, or production of weapons of mass destruction and ballistic missiles.

(8) Conduct of bilateral meetings between Indian and Pakistani senior officials to discuss security issues, establish confidence building measures, and increase transparency with regard to nuclear policies, programs, stockpiles, capabilities, and delivery systems.

(b) REPORT.—Not later than March 1, 2003, the President shall submit to the appropriate committees of Congress a report describing United States efforts in pursuit of the objectives listed in subsection (a), the progress made toward the achievement of those objectives, and the likelihood that each objective will be achieved by September 30, 2003.

#### SEC. 602. REAL-TIME PUBLIC AVAILABILITY OF RAW SEISMOLOGICAL DATA.

The head of the Air Force Technical Applications Center shall make available to the public, immediately upon receipt or as soon after receipt as is possible, all raw seismological data provided to the United States Government by any international monitoring organization that is directly responsible for seismological monitoring.

#### SEC. 603. DETAILING UNITED STATES GOVERNMENTAL PERSONNEL TO INTERNATIONAL ARMS CONTROL AND NONPROLIFERATION ORGANIZATIONS.

(a) IN GENERAL.—The Secretary, in consultation with the Secretaries of Defense and Energy and the heads of other relevant United States departments and agencies, as appropriate, shall develop measures to improve the process by which United States Government personnel may be detailed to international arms control and nonproliferation organizations without adversely affecting the pay or career advancement of such personnel.

(b) REPORT REQUIRED.—Not later than May 1, 2002, the Secretary shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives setting forth the measures taken under subsection (a).

#### SEC. 604. DIPLOMATIC PRESENCE OVERSEAS.

(a) PURPOSE.—The purpose of this section is to—

(1) elevate the stature given United States diplomatic initiatives relating to nonproliferation and political-military issues; and

(2) develop a group of highly specialized, technical experts with country expertise capable of administering the nonproliferation and political-military affairs functions of the Department of State.

(b) AUTHORITY.—To carry out the purposes of subsection (a), the Secretary is authorized to establish the position of Counselor for

Nonproliferation and Political Military Affairs in United States diplomatic missions overseas to be filled by individuals who are career Civil Service officers or Foreign Service officers committed to follow-on assignments in the Nonproliferation or Political Military Affairs Bureaus of the Department of State.

(c) **TRAINING.**—After being selected to serve as Counselor, any person so selected shall spend not less than 10 months in language training courses at the Foreign Service Institute, or in technical courses administered by the Department of Defense, the Department of Energy, or other appropriate departments and agencies of the United States, except that such requirement for training may be waived by the Secretary.

#### **SEC. 605. PROTECTION AGAINST AGRICULTURAL BIOTERRORISM.**

Of funds made available to carry out programs under the Foreign Assistance Act of 1961, \$1,500,000 may be made available to North Carolina State University for the purpose of fingerprinting crop and livestock pathogens in order to enhance the ability of the United States Government to detect new strains, determine their origin, and to facilitate research in pathogen epidemiology.

#### **SEC. 606. COMPLIANCE WITH THE CHEMICAL WEAPONS CONVENTION.**

(a) **FINDINGS.**—Congress makes the following findings:

(1) On April 24, 1997, the Senate provided its advice and consent to ratification of the Chemical Weapons Convention subject to the condition that no sample collected in the United States pursuant to the Convention would be transferred for analysis to any laboratory outside the territory of the United States.

(2) Congress enacted the same condition into law as section 304(f)(1) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6724(f)(1)).

(3) Part II, paragraph 57, of the Verification Annex of the Convention requires that all samples taken during a challenge inspection under the Convention shall be analyzed by at least two laboratories that have been designated as capable of conducting such testing by the OPCW.

(4) The only United States laboratory currently designated by the OPCW is the United States Army Edgewood Forensic Science Laboratory.

(5) In order to meet the requirements of condition (18) of the resolution of ratification of the Chemical Weapons Convention, and section 304 of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6724), the United States must possess, at a minimum, a second OPCW-designated laboratory.

(6) The possession of a second laboratory is necessary in view of the potential for a challenge inspection to be initiated against the United States by a foreign nation.

(7) To qualify as a designated laboratory, a laboratory must be certified under ISO Guide 25 or a higher standard, and complete three proficiency tests. The laboratory must have the full capability to handle substances listed on Schedule 1 of the Annex on Schedules of Chemicals of the Chemical Weapons Convention. In order to handle such substances in the United States, a laboratory also must operate under a bailment agreement with the United States Army.

(8) Several existing United States commercial laboratories have approved quality control systems, already possess bailment agreements with the United States Army, and have the capabilities necessary to obtain OPCW designation.

(9) In order to bolster the legitimacy of United States analysis of samples taken on

its national territory, it is preferable that the second designated laboratory is not a United States Government facility. Further, it is not cost-effective to build and equip another Government laboratory to meet OPCW designation standards when such capability already exists in the private sector.

#### **(b) ESTABLISHMENT OF SECOND DESIGNATED LABORATORY.**

(1) **DIRECTIVE.**—Not later than February 1, 2002, the United States National Authority, as designated under section 101 of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6711), shall select, through competitive procedures, a commercial laboratory within the United States to pursue designation by the OPCW.

(2) **DELEGATION.**—The National Authority may delegate the authority and administrative responsibility for carrying out paragraph (1) to one or more of the heads of the agencies described in section 101(b)(2) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6711(b)(2)).

(3) **REPORT.**—Not later than March 1, 2002, the National Authority shall submit to the appropriate committees of Congress a report detailing a plan for securing OPCW designation of a third United States laboratory by December 1, 2003.

#### **(c) DEFINITIONS.**—In this section:

(1) **CHEMICAL WEAPONS CONVENTION.**—The term “Chemical Weapons Convention” means the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, Opened for Signature and Signed by the United States at Paris on January 13, 1993, including the following protocols and memorandum of understanding:

(A) The Annex on Chemicals.

(B) The Annex on Implementation and Verification.

(C) The Annex on the Protection of Confidential Information.

(D) The Resolution Establishing the Preparatory Commission for the Organization for the Prohibition of Chemical Weapons.

(E) The Text on the Establishment of a Preparatory Commission.

(2) **OPCW.**—The term “OPCW” means the Organization for the Prohibition of Chemical Weapons established under the Convention.

#### **TITLE VII—AUTHORITY TO TRANSFER NAVAL VESSELS**

#### **SEC. 701. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.**

##### **(a) AUTHORITY TO TRANSFER.**

(1) **BRAZIL.**—The President is authorized to transfer to the Government of Brazil the “Newport” class tank landing ship Peoria (LST1183). Such transfer shall be on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(2) **POLAND.**—The President is authorized to transfer to the Government of Poland the “Oliver Hazard Perry” class guided missile frigate Wadsworth (FFG 9). Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(3) **TURKEY.**—The President is authorized to transfer to the Government of Turkey the “Oliver Hazard Perry” class guided missile frigates Estocin (FFG 15) and Samuel Eliot Morrison (FFG 13). Each such transfer shall be on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761). The President is further authorized to transfer to the Government of Turkey the “Knox” class frigates Capadanno (FF 1093), Thomas C. Hart (FF 1092), Donald B. Beary (FF 1085), McCandless (FF 1084), Reasoner (FF 1063), and Bowen (FF 1079). The transfer of these 6 “Knox” class frigates shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(4) **TAIWAN.**—The President is authorized to transfer to the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act) the “Kidd” class guided missile destroyers Kidd (DDG 993), Callaghan (DDG 994), Scott (DDG 995), and Chandler (DDG 996). The transfer of these 4 “Kidd” class guided missile destroyers shall be on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(b) **GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.**—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(c) **COSTS OF TRANSFERS.**—Notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)), any expense incurred by the United States in connection with a transfer authorized to be made on a grant basis under subsection (a) or (b) shall be charged to the recipient.

(d) **REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.**—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a United States Navy shipyard or other shipyard located in the United States.

(e) **EXPIRATION OF AUTHORITY.**—The authority provided under subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act.

#### **WAIVING CERTAIN LIMITATIONS IN THE USE OF FUNDS TO PAY THE COSTS OF PROJECTS IN RESPONSE TO THE ATTACK ON THE WORLD TRADE CENTER**

On December 20, 2001, the Senate amended and passed S. 1637, as follows:

S. 1637

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### **SECTION 1. EXPENDITURES FOR EMERGENCY RELIEF IN RESPONSE TO TERRORIST ATTACK.**

In the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001—

(1) notwithstanding section 120(e) of that title, the Federal share of the cost of each such project shall be 100 percent; and

(2) notwithstanding section 125(d)(1) of that title, the Secretary of Transportation may obligate more than \$100,000,000 for those projects.

#### **HONORING THE LIFE OF REX DAVID “DAVE” THOMAS**

Mr. REID. I ask unanimous consent that the Senate proceed to consideration of S. Res. 199 submitted earlier today by Senators LEVIN, DEWINE, and others.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 199) honoring the life of Rex David "Dave" Thomas and expressing the deepest condolences of the Senate to his family on his death.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LEVIN. Madam President, today I join a large number of my colleagues in the Senate in recognizing and mourning the loss of a selfless, dedicated American who was an unyielding advocate and activist for the cause of adoption.

Rex David "Dave" Thomas was born on July 2, 1932, in Atlantic City, NJ, and was adopted soon afterward by Rex and Auleva Thomas, who lived in Kalamazoo, MI. Dave Thomas passed away on January 8 of this year at the age of 69. The bipartisan resolution which the Senate is about to adopt, hopefully today, extends condolences to Dave's wife of 47 years, Lorraine, and their 5 children: Pam, Ken, Molly, Wendy, and Lori, and their 16 grandchildren.

The Thomas family has much to be proud of and to cherish. Dave Thomas led a life of dynamic public and human service. He was a man of vision, action, and compassion, and for generations to come the fruits of his labor will continue to improve the lives of the multitude of children who seek a permanent home and loving family and the multitude of families who wish to enrich their lives through adoption.

Dave Thomas was 12 years old when he got his first restaurant job as a counterman. At 20, he successfully turned around four failing restaurant franchises. He became a millionaire by the age of 35. In 1969, Dave Thomas started the company for which he is most famous, Wendy's Old Fashioned Hamburgers. It was and is a success by any standard. Dave Thomas was able, through sheer determination, unpretentious know-how, and love for the restaurant business, to rise to the top of his chosen field. Dave Thomas was exemplary in the degree to which he gave back. He became famous through his numerous television commercials, which were so successful because they reflected his magnetic and joyful personality. He used that fame to become one of the most outspoken proponents of adoption in America.

In 1992, he established the Dave Thomas Foundation For Adoption, and he donated his speaking fees and profits from the sale of his books to adoption causes. From 1990 through 2000, he headed up numerous White House adoption and foster care initiatives. His fingerprints are on the Adoption and Safe Families Act of 1997, the purpose of which is to decrease the number of children placed in foster care and to legally free those who cannot be safely returned to their homes; the Adoption Awareness postage stamp, and the shaping of health policy for numerous corporations to cover adoption benefits and expenses.

Though Dave Thomas was a successful businessman, as well as a generous

philanthropist, he was first and foremost committed to actively improving the lives of children in foster care and helping to facilitate their adoption. He did more than just use his irreproachable reputation to improve the lives of thousands of children; he personally donated millions of dollars to the Arthur G. James Cancer Hospital at Ohio State University, to Children's Hospital in Columbus, OH, and to the Thomas Center at Duke University, which he founded. Through these and many more charitable contributions, Dave Thomas advanced the American dream. He was a man who gave not out of a sense of obligation but because he believed it was simply the right thing to do.

So, Madam President, David Thomas was a remarkable man, and his too-early death will leave many people with one fewer friend. He was greatly respected, much loved, and he will be deeply missed by all who knew him. The resolution, which I hope will be cleared for passage today, is a testament to the respect and the high esteem in which this body holds Dave Thomas and his memory.

I ask unanimous consent that the names of the Senators, including our Presiding Officer, who join me in sponsoring this resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COSPONSORS OF THE DAVE THOMAS  
RESOLUTION AS OF JANUARY 23, 2002

Senators Levin, DeWine, Landrieu, Stabenow, Craig, Clinton, Helms, Voinovich, Rockefeller, Grassley, Baucus, Chafee, Crapo, Inhofe, Feinstein, Hollings, Lugar, Hagel, Hutchison, Allen, McCain, Johnson, Nickles, Burns, Sessions, and Durbin.

Mr. JOHNSON. Madam President, today I pay tribute to the life of Dave Thomas. The adoption community has suffered a huge loss through his death on January 8th, and I am pleased to be a cosponsor of the Senate resolution honoring his life.

As a founding member of the Congressional Coalition on Adoption, I have had the opportunity to recognize people who have been exceptional advocates for the adoption community, and Dave Thomas is at the top of that list.

An adopted child himself, Dave Thomas made it his lifelong goal to find every child a home. In 1990, Dave answered the call of President George Bush, who asked him to be the spokesperson for his national adoption program called "Adoption Works. . . For Everyone." After 2 years, Thomas decided he wanted to do more, and so he created his own nonprofit organization to make it easier and more affordable for people to adopt children. Thomas' efforts, backed by the Congressional Coalition on Adoption, have streamlined the adoption process and reduced the financial barriers many families face when they adopt children, especially those with special needs.

The Dave Thomas Foundation for Adoption provides a voice for 134,000

children across our country who are waiting to find a loving family. The efforts of the Dave Thomas Foundation for Adoption and Wendy's have paid off. Forty percent of all callers into the National Foundation for Adoption's toll free number cite trayliners, public service announcements and posters that they have seen inside Wendy's Restaurants as the reason for their call.

Dave was a tireless advocate for the adoption community, and thankfully his legacy will live on through the thousands of children who have found a loving home because of his efforts. If everyone subscribed to Dave's theory that no child is "unadoptable," this world would be a better place.

Mr. REID. Madam President, I ask unanimous consent that the resolution and the preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 199) was agreed to.

The preamble was agreed to.

(The text of the resolution, with its preamble, is printed in today's RECORD under "Submitted Resolutions.")

ELDERLY NUTRITION PROGRAM

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 200 submitted earlier today by Senators KENNEDY and MIKULSKI.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 200) expressing the sense of the Senate regarding the national nutrition program for the elderly, on the occasion of the 30th anniversary of its establishment.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Madam President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 200) was agreed to.

The preamble was agreed to.

(The text of the resolution, with its preamble, is printed in today's RECORD under "Submitted Resolutions.")

MEASURES PLACED ON THE CAL-  
ENDAR—H.R. 3343, H.R. 1432, H.R.  
3487, H.R. 400, H.R. 3529, H.R. 2362,  
H.R. 3504, H.R. 2742, AND H.R. 3441

Mr. REID. I understand the following bills are at the desk, having been read for the first time: H.R. 3343, H.R. 1432, H.R. 3487, H.R. 400, H.R. 3529, H.R. 2362, H.R. 3504, H.R. 2742 and H.R. 3441.



The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I ask unanimous consent it be in order that these bills be considered to have received a second reading en bloc, and I would object to any further consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills will be placed on the calendar.

#### MEASURES INDEFINITELY POSTPONED—S. 1536 AND S. 1543

Mr. REID. Madam President, I ask consent that the following calendar items be indefinitely postponed: Calendar No. 193, S. 1536, and Calendar No. 196, S. 1543.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### JOINT SESSION OF THE TWO HOUSES OF CONGRESS TO RECEIVE A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. REID. I ask consent the Senate proceed to the consideration of H. Con. Res. 299, just received from the House, which is at the desk.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 299) providing for a joint session of Congress to receive a message from the President on the State of the Union.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. Madam President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 299) was agreed to.

#### ORDERS FOR THURSDAY, JANUARY 24, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. tomorrow, Thursday, January 24; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 10 a.m., with Senators permitted to speak for

up to 10 minutes each with the time equally divided between the two leaders or their designees; further, at 10 a.m., the Senate resume consideration of H.R. 622, the Adoption Tax Credit Act, with the Daschle economic recovery amendment being the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate tonight, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:41 p.m., adjourned until Thursday, January 24, 2002, at 9:30 a.m.

#### NOMINATIONS

Executive nominations received by the Senate January 23, 2002:

##### THE JUDICIARY

KENNETH A. MARRA, OF FLORIDA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

PERCY ANDERSON, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA, VICE KIM MCLANE WARDLAW, ELEVATED.

JOSE E. MARTINEZ, OF FLORIDA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA, VICE EDWARD B. DAVIS, RETIRED.

LANCE M. AFRICK, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA, VICE EDITH BROWN CLEMENT, ELEVATED.

STANLEY R. CHESLER, OF NEW JERSEY, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY, VICE ANNE ELISE THOMPSON, RETIRED.

FREDERICK W. ROHLFING, III, OF HAWAII, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF HAWAII, VICE ALAN C. KAY, RETIRED.

JOAN E. LANCASTER, OF MINNESOTA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MINNESOTA, VICE PAUL A. MAGNUSON, RETIRED.

WILLIAM J. MARTINI, OF NEW JERSEY, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY, VICE JOHN C. LIPLAND, RETIRED.

THOMAS M. ROSE, OF OHIO, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF OHIO, VICE HERMAN J. WEBER, RETIRED.

MICHAEL M. BAYLSON, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE ROBERT F. KELLY, RETIRED.

JOY FLOWERS CONTI, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA, VICE ALAN N. BLOCH, RETIRED.

LEGROME D. DAVIS, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE EDMUND V. LUDWIG, RETIRED.

TERRENCE F. MCVERRY, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA, VICE DONALD E. ZIEGLER, RETIRED.

CYNTHIA M. RUFE, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE NORMA LEVY SHAPIRO, RETIRED.

ARTHUR J. SCHWAB, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA, VICE MAURICE B. COHILL, JR. RETIRED.

SAMUEL H. MAYS, JR., OF TENNESSEE, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TENNESSEE, VICE JEROME TURNER, DECEASED.

RONALD H. CLARK, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS, VICE HOWELL COBB, RETIRED.

LEONARD E. DAVIS, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS, VICE PAUL N. BROWN, RETIRED.

DAVID C. GODBEY, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS, VICE ROBERT B. MALONEY, RETIRED.

ANDREW S. HANEN, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF TEXAS, VICE FILEMON B. VELA, RETIRED.

HENRY E. HUDSON, OF VIRGINIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

RONALD B. LEIGHTON, OF WASHINGTON, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON, VICE ROBERT J. BRYAN, RETIRED.

WILLIAM C. GRIESBACH, OF WISCONSIN, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF WISCONSIN, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

JOHN F. WALTER, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA, VICE JOHN G. DAVIES, RETIRED.

##### IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD RESERVE UNDER TITLE 10, U.S.C., SECTION 12203(A):

##### *To be captain*

DONALD E. BUNN, 0000  
MICHAEL R. PRICE, 0000  
DALE M. RAUSCH, 0000

##### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

##### *To be lieutenant general*

MAJ. GEN. STEVEN R. POLK, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

##### *To be lieutenant general*

MAJ. GEN. JOHN R. BAKER, 0000

##### IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

##### *To be major general*

BRIG. GEN. DOUGLAS V. O'DELL JR., 0000

##### IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

##### *To be rear admiral*

REAR ADM. (LH) STEPHEN S. ISRAEL, 0000

##### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

##### *To be colonel*

LINDA F. JONES, 0000  
ROBERT J. KING, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE, UNDER TITLE 10, U.S.C., SECTIONS 624 AND 1552:

##### *To be lieutenant colonel*

DAN ROSE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

##### *To be colonel*

DOUGLAS W. KNIGHTON, 0000  
DAVID R. ROWBERRY, 0000  
ROBERT J. SEMRAD, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

##### *To be colonel*

RICHARD E. HORN, 0000  
TAMARA E.B. KOSS, 0000  
MICHAEL E. MURZYN, 0000  
ROBERT C. VASSEY, 0000  
MARK A. WEINER, 0000

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

*To be colonel*

FRANKLIN E. LIMERICK JR., 0000  
BAERBEL M. MERRILL, 0000  
RANDYAL S. MORTON, 0000  
JOHN M. PERRYMAN, 0000  
DAVID J. PROCOPIO, 0000  
RICKY E. SNELLGROVE, 0000  
TERRANCE E. STALEY, 0000

GARY J. THORSTENSON, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

*To be colonel*

DARLENE S. COLLINS, 0000  
JAMES R. GOODWIN, 0000  
GLORIA A. MASER, 0000  
MICHAEL R. OSTROSKI, 0000  
VIOLETTE A. RUFF, 0000  
JAMES W. VOSS, 0000  
MICHAEL J. WAGNER, 0000

WITHDRAWAL

Executive message transmitted by the President to the Senate on January 23, 2002, withdrawing from further Senate consideration the following nomination:

SCOTT A. ABDALLAH, OF SOUTH DAKOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF SOUTH DAKOTA FOR THE TERM OF FOUR YEARS, WHICH WAS SENT TO THE SENATE ON NOVEMBER 30, 2001.